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100TH CONGRESS *2d Session*	SENATE	REPORT 100-482

SOCIAL SERVICES FOR THE HOMELESS REAUTHORIZATION ACT OF 1988

AUGUST 11 (legislative day, AUGUST 10), 1988.—Ordered to be printed

Mr. KENNEDY, from the Committee on Labor and Human Resources, submitted the following

REPORT

[To accompany S. 2742]

The Committee on Labor and Human Resources, having considered an original bill (S. 2742), to reauthorize certain social services for the homeless, and for other purposes, reports favorably thereon and recommends that the bill do pass.

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I. INTRODUCTION AND SUMMARY

On July 27, 1988 the Committee on Labor and Human Resources ordered reported favorably an original bill, S. 2742, to the full Senate.

The Committee reported bill, which may be cited as "Social Services for the Homeless Reauthorization Act of 1988", reauthorizes Titles VI and VII of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77) to provide primary health, mental health, education, job training and community services programs for homeless individuals. As reported, the bill also includes an amendment to the Job Training Partnership Act to improve job training and placement for certain hard-to-serve welfare recipients by providing

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incentive bonuses, and an amendment to the Juvenile Justice and Delinquency Prevention Act to provide for transitional living centers for homeless youth.

II. THE BILL AS REPORTED

[S. 2742, 100th Cong., 2d Sess.]

A BILL To reauthorize certain social services for the homeless, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Services for the Homeless Reauthorization Act of 1988".

TITLE I—HEALTH SERVICES FOR THE HOMELESS

SEC. 101. REFERENCES TO THE PUBLIC HEALTH SERVICE ACT.

Except as otherwise specifically provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201n et seq.).

SEC. 102. INCREASE IN REQUIRED AMOUNT OF MATCHING FUNDS AND MODIFICATION IN ELIGIBILITY FOR WAIVER WITH RESPECT TO MATCHING FUNDS.

(a) INCREASE IN REQUIRED AMOUNT.—Section 340(e)(1)(A)(ii) (42 U.S.C. 256(e)(1)(A)(ii)) is amended by striking out "Federal funds provided in such grant" and inserting in lieu thereof the following: "Federal funds provided for the first fiscal year of payments under the grant and not less than $1 (in cash or in kind under such subparagraph) for each $3 of Federal funds provided for any subsequent fiscal year of payments under the grant".

(b) EFFECTIVE DATE FOR INCREASE.—The amendments made by subsection (a) shall take effect October 1, 1989.

(c) MODIFICATION IN ELIGIBILITY FOR WAIVER.—Section 340(e)(2) (42 U.S.C. 256(e)(2)) is amended to read as follows:

"(2) The Secretary may waive the requirement established in paragraph (1)(A) if the applicant involved is a nonprofit private entity and the Secretary determines that it is not feasible for the applicant to comply with such requirement.".

SEC. 103. TEMPORARY CONTINUED PROVISION OF SERVICES TO CERTAIN FORMER HOMELESS INDIVIDUALS.

(a) IN GENERAL.—Section 340 (42 U.S.C. 256) is amended—

(1) by redesignating subsections (h) through (q) as subsections (i) through (r), respectively; and

(2) by adding after subsection (g) the following new subsection:

"(h) TEMPORARY CONTINUED PROVISION OF SERVICES TO CERTAIN FORMER HOMELESS INDIVIDUALS.—If any grantee under subsection (a) has provided services described in subsection (f) or (g) to a homeless individual, any such grantee may, notwithstanding that the individual is no longer homeless as a result of becoming a resident in permanent housing, expend the grant to continue to provide such services to the individual for not more than 12 months.".

(b) Conforming Amendments.—

(1) Section 340(d)(1) (42 U.S.C. 256(d)(1)) is amended—

(A) in subparagraph (C), by striking out "(h)" and inserting in lieu thereof "(i)";

(B) in subparagraph (D), by striking out "(i)" and inserting in lieu thereof "(j)";

(C) in subparagraph (E), by striking out "(j)" and inserting in lieu thereof "(k)"; and

(D) in subparagraph (F), by striking out "(k)" and inserting in lieu thereof "(l)".

(2) Section 332(a)(3) (42 U.S.C. 254e(a)(3)) is amended by striking out "340(q)(2)" and inserting in lieu thereof "340(r)".

(3) Section 536(1) (42 U.S.C. 290cc-36(1)) is amended by striking out "340(q)(2)" and inserting in lieu thereof "340(r)".

SEC. 104. CLARIFICATION OF CERTAIN PROVISIONS.

(a) Provision of Technical Assistance.—Section 340(o)(2) (as redesignated in section 103(a)(1) of this Act) is amended by striking out "(p)(1)," and inserting in lieu thereof "(q)(1) for a fiscal year,".

(b) Definition of Homeless Individual.—Section 340(r)(2) (as redesignated in section 103(a)(1) of this Act) is amended by striking out "living accommodations." and inserting in lieu thereof "living accommodations and an individual who is a resident in transitional housing.".

SEC. 105. AUTHORIZATIONS OF APPROPRIATIONS.

Paragraph (1) of section 340(q) (as redesignated in section 103(a)(1) of this Act) is amended to read as follows:

"(q)(1) There are authorized to be appropriated to carry out this section $61,200,000 for fiscal year 1989, $63,600,000 for fiscal year 1990, and $66,200,000 for fiscal year 1991.".

SEC. 106. NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM.

Section 513 (42 U.S.C. 290bb-1b) is amended in subsection (b), by adding at the end thereof the following new sentence: "There are authorized to be appropriated $20,000,000 in fiscal year 1989, $25,000,000 in fiscal year 1990, and such sums as are necessary in fiscal year 1991, to carry out section 512(c).".

SEC. 107. NATIONAL INSTITUTE OF MENTAL HEALTH.

(a) Mental Health Services Demonstration Project.—Section 504(f)(3) (42 U.S.C. 290aa-3(f)(3)) is amended to read as follows:

"(3) In order to provide grants for the homeless mentally ill under paragraphs (1) and (2), there is authorized to be appropriated, in addition to any other amounts appropriated pursuant to this subsection to be available for the provision of community based mental health services for homeless individuals who are seriously mentally ill—

"(A) $11,000,000 for fiscal year 1989;

"(B) $11,500,000 for fiscal year 1990; and

"(C) such sums as are necessary in fiscal year 1991.".

(b) Mental Health Services for the Homeless.—Part C of title V is amended—

(1) in section 521(a) (42 U.S.C. 290cc–21(a)), by striking out "1987 and 1988" and inserting in lieu thereof "1987 through 1991"; and

(2) in section 535 (42 U.S.C. 290cc–35), by striking out "for fiscal year 1988" and inserting in lieu thereof "for each of the fiscal years 1988 through 1991".

TITLE II—EDUCATION PROGRAMS FOR THE HOMELESS

SEC. 201. ADULT EDUCATION FOR THE HOMELESS.

(a) General Authority.—(1) Section 702(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421(a)) is amended by striking out "to develop a plan and implement a program" and inserting in lieu thereof "to implement, either directly or through contracts and grants, a program".

(2)(A) The heading of section 702 is amended to read as follows:

"SEC. 702. STATE LITERACY INITIATIVES.".

(B) Item "Sec. 702." in the table of contents of such Act is amended to read as follows:

"Sec. 702. State literacy initiatives.".

(b) Reauthorization.—Section 702(c)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421(c)(1)) is amended to read as follows:

"(1) There is authorized to be appropriated $10,000,000 for each of the fiscal years 1989 and 1990 for the adult literacy and basic skills remediation programs authorized by this section.".

SEC. 202. EDUCATION FOR HOMELESS CHILDREN AND YOUTH.

(a) Grants for State Activities.—

(1) Data gathering.—Section 722(d)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11432(d)(1)) is amended by inserting "annually" before "gather".

(2) Reports.—Section 722(d)(3) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11432(d)(3)) is amended to read as follows:

"(3) prepare and submit to the Secretary not later than December 31 of each year a report on the data gathered pursuant to paragraph (1).".

(3) Authorization of appropriations.—Section 722(g)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11432(g)(1)) is amended to read as follows:

"(1) There is authorized to be appropriated to carry out this section $5,000,000 for each of the fiscal years 1989 and 1990.".

(b) Exemplary Grants and Dissemination of Information.—Section 723(f) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11433(f)) is amended to read as follows:

"(f) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $2,500,000 for each of the fiscal years 1989 and 1990.".

TITLE III—JOB TRAINING FOR THE HOMELESS

SEC. 301. PROGRAM REAUTHORIZED.

(a) Authorization of Appropriations.—Section 739(a)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11449(a)(1)) is amended to read as follows:

"(1) There is authorized to be appropriated to carry out this subtitle $12,000,000 for each of the fiscal years 1989 and 1990, of which amount $2,000,000 for each fiscal year shall be available only to carry out section 738.".

(b) Ratable Reductions.—Section 739(a)(2) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11449(a)(2)) is amended—

(1) by striking "in fiscal year 1988" and inserting "for any fiscal year"; and

(2) by striking "$12,000,000" and inserting "the amount authorized in paragraph (1)".

TITLE IV—COMMUNITY SERVICES FOR THE HOMELESS

SEC. 401. EMERGENCY COMMUNITY SERVICES HOMELESS GRANT PROGRAM.

(a) Program Requirements.—

(1) Additional eligible use of funds.—Section 753(c) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11463(c)) is amended by adding at the end the following new paragraph:

"(4) Provision of assistance to any individual who has received a notice of foreclosure, eviction, or termination of utility services, if—

"(A) the inability of the individual to make mortgage, rental, or utility payments is due to a sudden reduction in income;

"(B) the assistance is necessary to avoid the foreclosure, eviction, or termination of utility services; and

"(C) there is a reasonable prospect that the individual will be able to resume the payments within a reasonable period of time.".

(2) Maximum amount available for additional eligible use.—Section 753(b) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11463(b)) is amended—

(A) by striking "and" at the end of paragraph (2);

(B) by striking the period at the end of paragraph (3) and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(4) not more than 25 percent of the amounts received will be used for the purpose described in subsection (c)(4).".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 754 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11464) is amended to read as follows:

"SEC. 754. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out this subtitle $40,000,000 for each of the fiscal years 1989 and 1990.".

TITLE V—JOB TRAINING AND PARTNERSHIP ACT

SEC. 501. SHORT TITLE.

This title may be cited as the "Jobs for Employable Dependent Individuals Act".

SEC. 502. INCENTIVE BONUS ENTITLEMENT FOR EMPLOYABLE DEPENDENT INDIVIDUALS.

The Job Training Partnership Act (29 U.S.C. 1501 et seq.) (hereafter in this title referred to as the "Act") is amended—

(1) by redesignating title V and all references thereto as title VI,

(2) by redesignating sections 501, 502, 503, and 504 as sections 601, 602, 603, and 604, respectively, and

(3) by inserting after title IV the following new title:

"TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM

"SEC. 501. STATEMENT OF PURPOSE.

"It is the purpose of this title to entitle each State to the payment of a bonus for the successful job placement of certain employable dependent individuals.

"SEC. 502. ELIGIBILITY BASIS FOR INCENTIVE BONUS ENTITLEMENT.

"(a) GENERAL RULE.—An individual who is the head of a household shall be eligible to be counted for the purpose of a payment of an incentive bonus under this title if the individual—

"(1)(A) has received benefits continuously under—

"(i) a State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), relating to the aid to families with dependent children program, or

"(ii) section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees,

for at least 2 years prior to participation in education, training, and supportive services designed to provide jobs for such individuals; and

"(B) has no work experience for the year preceding the year for which the determination of eligibility is made; or

"(2)(A) receives benefits at the time the determination of eligibility under this title is made under a State plan under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, or section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees, and

"(B) has—

"(i) not attained 22 years of age,

"(ii) not completed secondary school or its equivalent, and

"(iii) no work experience for the year preceding the year for which the determination of eligibility under this title is made; and

"(3) meets the requirements of subsection (c).

"(b) BLIND AND DISABLED INDIVIDUALS.—An individual who is blind or disabled shall be eligible to be counted for the purpose of a payment of an incentive bonus under this title if the individual—

"(1)(A) has received benefits continuously under title XVI of the Social Security Act (42 U.S.C. 1381note) relating to supplemental security income program for at least 2 years prior to participation in education, training, and support services designed to provide jobs for such individuals; and

"(B) has no work experience for the year preceding the year for which the determination of eligibility is made; or

"(2)(A) receives benefits at the time the determination of eligibility under this title is made under title XVI of the Social Security Act relating to supplemental security income, and

"(B) has—

"(i) not attained 22 years of age,

"(ii) no work experience for the year preceding the year for which the determination of eligibility under this title is made; and

"(3) meets the requirements of subsection (d).

"(c) REQUIREMENTS FOR PURPOSES OF SUBSECTION (a).—An individual meets the requirements of paragraph (3) of subsection (a) if the individual—

"(1) participates in education, training, and supportive services designed to provide jobs for such individuals;

"(2) is placed in nonsubsidized employment for at least 1 year after such participation;

"(3) receives from the employment described in paragraph (2) income equal to or greater than the amount of cash benefits which the family received in the preceding year under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, or section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees; and

"(4) no longer qualifies for benefits described in paragraph (3).

"(d) REQUIREMENTS FOR PURPOSES OF SUBSECTION (b).—An individual meets the requirements of paragraph (3) of subsection (b) if the individual—

"(1) participates in education, training, and support services designed to provide jobs for such individuals;

"(2) is placed in employment or supported employment (as such term is defined in section 7(18) of the Rehabilitation Act of 1973) for at least 1 year after such participation;

"(3) receives from the employment described in paragraph (2) income equal to or greater than the amount of cash benefits which the individual received under title XVI of the Social Security Act relating to supplemental security income; and

"(4) no longer qualifies for benefits described in paragraph (3).

"(e) PLACEMENT BY STATE.—Each State shall be entitled to (subject to funds provided in appropriation Acts) receive an incentive bonus payment for the placement in accordance with the provisions of this title of individuals who are eligible under this section.

"(f) LIMITATION.—

"(1) IN GENERAL.—An individual shall not be considered to meet the requirements of subsection (c)(1) or (d)(1) if the individual participates in employment-related services and activities in a program established under the Social Security Act (42 U.S.C. 301 et seq.).

"(2) EXCEPTION.—An individual's receipt of medical services under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) or registration for manpower services, training, employment, and other employment-related activities pursuant to the Social Security Act shall not be treated as participation in employment-related services and activities in a program established under the Social Security Act.

"SEC. 503. AMOUNT OF INCENTIVE BONUS.

"(a) GENERAL RULE.—The amount of the incentive bonus paid to each State under this title shall be equal to—

"(1) 75 percent of the placement bonus base for each successful placement of an individual described in section 502;

"(2) 50 percent of the placement bonus base for the second continuous year of such employment; and

"(3) 25 percent of the placement bonus base for the third continuous year of such employment,

in excess of the number of such placements made in fiscal year 1987 or such other base period as provided by agreement between the Governor and the Secretary.

"(b) PLACEMENT BONUS BASE FOR PURPOSES OF SECTION 502(a).—For the purpose of this section, the placement bonus base—

"(1) for an individual who qualifies under section 502(a)(1) is equal to the sum of the Federal contribution to amounts received by the individual and the family of such individual under a State plan approved under part A of title IV of the Social Security Act, relating to aid to families with dependent children, or under section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees, or both, for the 2 fiscal years prior to the determination made under section 502 divided by 2; and

"(2) for an individual who qualifies under section 502(a)(2) shall be the annual amount to which such individual would have been entitled for one year at the time of the determination of eligibility of the individual, if such individual has not received the benefits described in section 502(a)(2) for the prior year, under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, or section 412(e) of the Immigration and Nationality Act relating to cash assistance and medical assistance to refugees.

"(c) PLACEMENT BONUS BASE FOR PURPOSES OF SECTION 502(b).—For the purpose of this section, the placement bonus base—

"(1) for an individual who qualifies under section 502(b)(1) is equal to the sum of the Federal contribution to amounts received by the individual under title XVI of the Social Security Act relating to supplemental security income for the two fiscal years prior to the determination made under section 502 divided by 2; and

"(2) for an individual who qualifies under section 502(b)(2) shall be the annual amount to which such individual would have been entitled for one year at the time of the determination of eligibility of the individual, if such individual has not received the benefits described in section 502(b)(2) for the prior year under title XVI of the Social Security Act relating to supplemental security income.

"SEC. 504. APPLICATIONS AND VERIFICATION REQUIRED.

"(a) APPLICATION.—Each State providing training to individuals qualifying for the incentive bonus under this title shall submit to the Secretary an application at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

"(1) set forth the bonus base for the placement of individuals qualifying under this title in the State;

"(2) set forth the nonsubsidized employment or supported employment (as such term is defined in section 7(18) of the Rehabilitation Act of 1973) for each such individual and the annual amount earned;

"(3) set forth the amount of cash benefits under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, or section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees, received by each individual placed pursuant to paragraph (1) and the amount of cash benefits under title XVI of the Social Security Act relating to benefits for disabled individuals under the supplemental security income program received by each individual placed pursuant to paragraph (1);

"(4) describe the arrangements for carrying out sections 502(c)(1) and 502(d)(1) relating to the provision of education, training, and supportive services; and

"(5) set forth such additional information as the Secretary determines to be necessary.

"(b) VERIFICATION.—The Secretary may not approve an application under this section without adequate verification of the placements described in the application of the State made under subsection (a).

"SEC. 505. PAYMENTS.

"The Secretary shall pay (subject to funds provided in appropriation Acts) to each State the amount to which the State is entitled by reason of an application approved under section 504.

"SEC. 506. RESERVATION OF INCENTIVE BONUS; USE OF FUNDS.

"(a) Reservation.—The Governor shall reserve an amount that is equal to the amount the State receives for incentive bonuses under section 505 and shall distribute such incentive bonus amounts in accordance with subsection (b).

"(b) Set Aside for Operation Costs.—

"(1) In general.—The Governor shall, from the amount reserved under subsection (a), set aside an amount, not to exceed 15 percent of the amount so reserved in each fiscal year, for distribution to participating State agencies to support the costs of establishing and maintaining systems necessary for the operation of the program under this title, including technical assistance, management information systems, postprogram followup activities, and research and evaluation activities.

"(2) Remainder.—The Governor shall distribute the remainder of the amount so reserved in each fiscal year to participating agencies, private industry councils in service delivery areas, and service providers, including community-based organizations, who contribute to the program authorized by this title.

"(c) Use of Funds.—Funds distributed pursuant to paragraph (2) of subsection (b) may be used only for outreach, basic and remedial education, including language training for limited English proficient individuals, training and supportive services, including child care and transportation, designed to prepare participants for, or place individuals in, jobs.

"SEC. 507. EVALUATION OF PROGRAM.

"(a) In General.—The Secretary shall, directly or by contract or other arrangement, conduct a thorough evaluation of the program authorized by this title.

"(b) Report.—Not later than 3 years after the date of enactment of this title, the Secretary shall prepare and submit, to the appropriate Committees of Congress, a report on the evaluation activities conducted under subsection (a) and the results of such activities, together with an analysis on the costs of the program authorized by this title and the savings in payments under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, under section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees, or under title XVI of the Social Security Act relating to supplemental security income program.".

SEC. 503. PROVISIONS FOR IMPROVING ASSISTANCE TO HARD-TO-SERVE INDIVIDUALS AND WELFARE RECIPIENTS.

(a) Training Services.—Section 201 of the Act (29 U.S.C. 1601) is amended by adding at the end thereof the following new subsection:

"(c)(1) For program years beginning July 1, 1988, and thereafter, the allotment from funds appropriated for such program year of a State shall be reduced by the amount that the unexpended balance at the end of the program year prior to the program year for which the determination under this subsection is made exceeds 20 percent of the State's allocation for that fiscal year and the unexpended balance from the program year prior to that program year.

"(2) Amounts available pursuant to paragraph (1) of this subsection shall be reallotted to States by the Secretary in accordance with States' need for and ability to use the funds for the purposes of this title.".

(b) MINIMUM ALLOTMENT.—The first sentence of section 202(b)(3)(B) of the Act (29 U.S.C. 1602(b)(3)(B)) is amended by striking out ", including incentives for serving hard-to-serve individuals" and inserting in lieu thereof "and incentives for serving increased numbers of hard-to-serve individuals, particularly long-term welfare recipients, including title IV of the Social Security Act relating to aid to families with dependent children and title XVI relating to supplementary security income".

(c) PERFORMANCE STANDARDS.—Section 106(e) of the Act (29 U.S.C. 1516) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) The Secretary shall—

"(A) provide improved information and technical assistance on performance standards adjustment approaches;

"(B) collect data that better specifies hard-to-serve individuals and long-term welfare dependency; and

"(C) provide guidance on setting performance goals at the service provider level that encourages increased service to the hard-to-serve, particularly long-term welfare recipients, including title IV of the Social Security Act relating to aid to families with dependent children and title XVI relating to supplementary security income.

The Secretary shall also reexamine performance standards to ensure that such standards provide maximum flexibility in serving the hard-to-serve, particularly long-term welfare recipients, including title IV of the Social Security Act relating to aid to families with dependent children and title XVI relating to supplementary security income.".

(d) PERFORMANCE STANDARDS FOR ADULT EDUCATION PROGRAMS.—Section 106 of the Act (29 U.S.C. 1516) is amended by adding at the end thereof the following new subsection:

"(i)(1) The basic measure of performance for adult education programs under section 204 shall be the attainment of educational competence in reading, writing, and computation, including, where appropriate, acquisition of the graduate equivalency degree in order to reduce welfare dependency by increasing individual employability. In order to determine whether the basic measures are achieved, the Secretary shall prescribe standards on the basis of appropriate factors which should include: (A) satisfactory progress toward mastering the basic academic competencies, (B) measured progress through each grade level, (C) retention in the program and placement, if possible, in employment, and (D) satisfactory completion of the graduate equivalency degree.

"(2) Nothing in this subsection shall be construed to modify the performance standard prescribed in subsection (b) of this section.".

SEC. 504. AFDC/SSI AND SUMMER YOUTH PROGRAM.

(a) SHORT TITLE.—This section may be cited as the "AFDC/SSI and Summer Youth Employment and Training Amendments of 1988".

(b) CONTENTS OF JOB TRAINING PLAN.—Section 104(b) of the Act (29 U.S.C. 1514(b)) is amended—

(1) by striking out "and" at the end of paragraph (9);

(2) by striking out the period at the end of paragraph (10) and inserting in lieu thereof "; and"; and

(3) by inserting at the end thereof the following new paragraph:

"(11) for service delivery areas intending to operate or operating a program under section 254, a comprehensive plan of service in accordance with the requirements of section 254(c)(1).".

(c) APPROVAL OF JOB TRAINING PLAN.—Section 105(b)(1) of the Act (29 U.S.C. 1515(b)(1)) is amended—

(1) by striking out "or" at the end of subparagraph (D),

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof "; or", and

(3) by inserting at the end thereof the following new subparagraph:

"(F) for service delivery areas intending to operate or operating a program under section 254, the plan (or modification) does not include the required comprehensive plan of service (in accordance with the requirements of section 254(c)(1)).".

(d) PERFORMANCE CRITERIA FOR YOUTH TRAINING PROGRAM.—Section 106(b) of the Act is amended—

(1) by striking out "also" in paragraph (2) of such subsection,

(2) by inserting in paragraph (2) of such subsection after "programs" the first time it appears the following: "under part A of title II",

(3) by redesignating paragraph (3) of such subsection as paragraph (4), and

(4) by inserting after paragraph (2) of such subsection the following new paragraph (3):

"(3) The Secretary shall, at such time as the Secretary deems appropriate, prescribe standards for evaluating the performance of the AFDC youth and SSI youth employment and training program under section 254. In prescribing such standards, the Secretary shall designate factors which, in addition to appropriate utilization of the factors described in paragraphs (1) and (2), may include, to the extent practicable, measures of basic education gains and reduced welfare dependency.".

(e) TRAINING SERVICES TECHNICAL AMENDMENT.—Section 202(b)(3)(B) of the Act (29 U.S.C. 1602(b)(3)(B)) is amended by inserting "under this title" after "programs" where it first appears.

(f) SUMMER AND AFDC/SSI YOUTH EMPLOYMENT AND TRAINING PROGRAMS.—

(1) In general.—Part B of title II of the Act (29 U.S.C. 1630 et seq.) is amended to read as follows:

"Part B—Summer and AFDC/SSI Youth Employment and Training Programs

"SEC. 251. PURPOSE.

"(a) General Purpose.—The purpose of programs assisted under section 253 is to—

"(1) enhance the basic educational skills of youth;

"(2) encourage school completion, or enrollment in supplementary or alternative school programs; and

"(3) provide eligible youth with exposure to the world of work.

"(b) Additional Purposes.—In addition to the purposes described above, the programs assisted under section 254 are intended to—

"(1) provide AFDC and SSI youth with the skills necessary for entering the labor force;

"(2) assist AFDC and SSI youth in addressing problems which prevent them from becoming productive members of society; and

"(3) reduce welfare dependency by targeting resources to help these AFDC and SSI youth, including young mothers receiving AFDC or SSI, who face multiple barriers to employment.

"SEC. 252. AUTHORIZATION OF APPROPRIATIONS; ALLOTMENT AND ALLOCATION.

"(a) Authorization of Appropriations.—From the funds appropriated under section 3(b), the Secretary shall first allocate to Guam, the Virgin Islands, American Samoa, the Freely Associated States (Republic of the Marshall Islands and the Federated States of Micronesia), the Republic of Palau, the Northern Mariana Islands, and entities eligible under section 401 the same percentage of funds as were available to such areas and entities for the programs under this part in the fiscal year preceding the fiscal year for which the determination is made.

"(b) Remainder.—The remainder of sums appropriated pursuant to section 3(b) shall be allotted among States in accordance with section 201(b) and allocated among service delivery areas within States in accordance with section 202(a) (2), (3), and (4).

"SEC. 253. SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAM.

"(a) Use of Funds.—

"(1) In general.—Funds available under this part may be used for—

"(A) basic and remedial education, institutional and on-the-job training, work experience programs, employment counseling, occupational training, preparation for work, outreach and enrollment activities, employability assessment, job referral and placement, job search and job club activities, and any other employment or job training activity designed to give employment to eligible individuals or prepare them for, and place them in, employment; and

"(B) supportive services necessary to enable such individuals to participate in the program.

"(2) ASSESSMENT OF SKILLS.—A service delivery area shall assess the reading, writing, and mathematics skill levels of eligible participants in programs funded by this part and shall expend funds (from this Act or otherwise available to the service delivery area, or both) for basic and remedial education as described in the job training plan under section 104.

"(b) TIME FOR PROGRAMS; ELIGIBLE INDIVIDUALS.—

"(1) TIME FOR PROGRAMS.—Programs under this section shall be conducted during the summer months, except that a service delivery area may—

"(A) within the jurisdiction of any local educational agency that operates its schools on a year-round full-time basis, offer the programs under this section to participants during a vacation period treated as the equivalent of a summer vacation; or

"(B) use all or part of the funds under this part for conducting year round exemplary youth programs authorized under section 205 of this Act.

"(2) ELIGIBLE INDIVIDUALS.—Except as provided in paragraph (3), individuals eligible under this section shall be economically disadvantaged youth consistent with section 4(8) of this Act.

"(3) EXCEPTION.—Eligible individuals aged 14 or 15 shall, if appropriate and set forth in the job training plan, be eligible for summer youth programs under this section.

"(c) ADMINISTRATION OF FUNDS AND GOALS.—

"(1) ADMINISTRATION OF FUNDS.—Private industry councils established under title I, chief elected officials, State job coordinating councils, and Governors shall have the same authority, duties, and responsibilities with respect to planning and administration of funds available under this section as private industry councils, chief elected officials, State job training coordinating councils, and Governors have for funds available under part A of title II.

"(2) PROGRAM GOALS.—In accordance with the provisions of paragraph (1), each service delivery area shall establish written program goals and objectives that shall be used for evaluating the effectiveness of programs conducted under this section. Such goals and objectives may include—

"(A) improvement in school retention and completion;

"(B) improvement in academic performance, including reading, writing, and mathematics comprehension;

"(C) improvement in employability skills; and

"(D) demonstrated coordination with other community service organizations such as local educational agencies, law enforcement agencies, and drug and alcohol prevention and treatment programs.

"SEC. 254. AFDC/SSI YOUTH EMPLOYMENT AND TRAINING PROGRAM.

"(a) IN GENERAL.—In addition to or in lieu of the services for youth available in accordance with section 253, each service delivery area may elect to use funds available to it under this part for the program described in this section.

"(b) **Time and Eligibility.**—

"(1) **Year-round program.**—The program under this section may be conducted on a year-round basis.

"(2) **Eligible individuals.**—An individual shall be eligible to participate in the program under this section only if—

"(A) such individual is aged 16 through 21, or if appropriate and set forth in the job training plan, such individual is aged 14 through 21,

"(B) such individual is receiving payments, or such individual is an individual whose needs are considered in determining payments, made under the program of aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or title XVI of the Social Security Act (42 U.S.C. 1381 note) relating to supplemental security income, and

"(C) such individual is at risk of becoming a long-term welfare recipient or long-term unemployed.

"(c) **Requirements.**—A service delivery area electing to operate a program under this section shall—

"(1) describe in its job training plan a comprehensive plan of service containing—

"(A) the process for assessing the needs of each participant (including educational, training, employment, and social service needs);

"(B) the services (including supportive services necessary to enable such individuals to participate in the program) and activities to be provided, including the agencies that will provide such services, and an estimate of the length of time service will be provided to the participant; and

"(C) goals to be attained, including the intermediate success points to be pursued during the course of participation; and

"(2) provide the necessary services, where the assessment of the participant pursuant to subsection (c)(1)(A) indicates a need, including where appropriate—

"(A) basic and remedial education;

"(B) drug and alcohol abuse counseling;

"(C) child care classes; and

"(D) life skills planning classes.

"(d) **Use of Funds.**—Funds available for the program under this section may be used to provide, in addition to the services required under subsection (c), the following services:

"(1) Classroom training, on-the-job training, work experience, job search assistance, employment counseling, world-of-work orientation, any of the activities described under section 205 of this Act, and any other educational, employment, or job training activity designed to prepare participants for, or place individuals in, employment.

"(2) Other supportive services for such individuals.

"(e) **Planning and Administration.**—Private industry councils established under title I, chief elected officials, State job training coordinating councils, and Governors shall have the same authority, duties, and responsibilities with respect to planning and administration of funds available under this section as private industry councils, chief elected officials, State job training coordinating councils, and Governors have for funds available under part A of title II, except that private industry councils shall have the additional responsibility under this section of ensuring that the job training plan provide for coordination of service delivery areas, local welfare agencies, and local educational agencies in the planning, program design, and the provision of services to participants.

"(f) REGULATIONS.—The Secretary and the Secretary of Health and Human Services shall issue regulations jointly relating to the safeguarding and sharing, between service delivery areas and agencies administering a plan under part A of title IV of the Social Security Act, of information concerning programs under this part that is necessary for carrying out the purposes of such programs, and of the State plans approved under part A of title IV of the Social Security Act.".

(2) TABLE OF CONTENTS.—The table of contents of the Act relating to part B of title II is amended to read as follows:

"PART B—SUMMER AND AFDC/SSI YOUTH EMPLOYMENT AND TRAINING PROGRAMS

"Sec. 251. Purposes.
"Sec. 252. Authorization of appropriation; allotment and allocation.
"Sec. 253. Summer youth employment and training program.
"Sec. 254. AFDC/SSI youth employment and training program.".

(g) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1988.

SEC. 505. CONFORMING AMENDMENTS.

(a) CONTENTS OF JOB TRAINING PLAN.—Section 104(b) of the Act (29 U.S.C. 1514(b)) (as amended by subsection (b)) is further amended—

(1) by redesignating paragraphs (7), (8), (9), (10), and (11) as paragraphs (8), (9), (10), (11), and (12), respectively; and

(2) by adding after paragraph (6) the following new paragraph:

"(7) a description of the procedures and methods of carrying out the provisions of title V, relating to incentive bonus payments for employable dependent individuals;".

(b) PERFORMANCE STANDARDS.—Section 106(b) of the Act (29 U.S.C. 1516(b)) is amended by adding at the end thereof the following new paragraph:

"(5) In prescribing performance standards under this section for programs authorized by section 109 and title V, relating to the placement of certain employable dependent individuals, the Secretary shall weight the placement of such individuals in accordance with the average cost of successful placement of such individuals compared to the average cost of successful placement of individuals eligible for services under part A of title II of this Act.".

(c) PLAN COORDINATION.—Section 121(b) of the Act (29 U.S.C. 1531(b)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by adding after paragraph (2) the following new paragraph:

"(3) The State plan shall include a description of the manner in which the State will encourage the successful carrying out of—

"(A) training activities for employable dependent individuals whose placement is the basis for the payment to the State of the incentive bonus authorized by title V; and

"(B) the training services, outreach activities, and preemployment supportive services furnished to such individuals.".

(d) FISCAL CONTROLS; SANCTIONS.—Section 164 of the Act (29 U.S.C. 1574) is amended by striking out "titles II and III" and inserting in lieu thereof "titles II, III, and V" each place such appears.

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 3 of the Act (29 U.S.C. 1502) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection:

"(e) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of title V of this Act.".

(f) CONSTRUCTION.—

(1) Part D of title I of the Act (29 U.S.C. 1571 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 172. CONSTRUCTION.

"(a) ELIGIBILITY.—Nothing in this Act shall be construed in any way to limit the right of persons to remain eligible for assistance under title XIX of the Social Security Act relating to Medicaid pursuant to section 1619(b) of such Act.

"(b) USE OF FUNDS.—Nothing in this Act shall be construed to authorize the use of funds under this Act for the ongoing support services provided to handicapped individuals placed in supported employment, as such term is defined in section 7(18) of the Rehabilitation Act of 1973.".

(2) The table of contents of the Act is amended by inserting after item "Sec. 171." the following new item:

"Sec. 172. Construction.".

TITLE VI—TRANSITIONAL LIVING GRANTS

SEC 601. AUTHORIZATION OF TRANSITIONAL LIVING PROJECTS.

(a) ASSISTANCE TO POTENTIAL GRANTEES.—Section 315 of the Runaway and Homeless Youth Act (42 U.S.C. 5714a) is amended—

(1) by inserting "and transitional living youth projects" after "homeless youth centers",

(2) in paragraph (1) by inserting "or transitional living youth project" after "homeless youth center",

(3) by inserting "or such project" after "such center" each place it appears, and

(4) in paragraph (3) by inserting "and homeless" after "runaway".

(b) LEASE OF SURPLUS FEDERAL FACILITIES.—Section 316 of the Runaway and Homeless Youth Act (42 U.S.C. 5714b) is amended—

(1) in the heading of such section by inserting "OR AS TRANSITIONAL LIVING YOUTH SHELTER FACILITIES" after "HOMELESS YOUTH CENTERS", and

(2) in subsection (a)—

(A) by inserting "or as transitional living youth shelter facilities" after "homeless youth centers", and

(B) in paragraph (1) by inserting "or transitional living youth project, as the case may be, under this title" after "homeless youth center".

(c) REPORTS.—Section 317 of the Runaway and Homeless Youth Act (42 U.S.C. 5715) is amended—

(1) by inserting "(a)" after "SEC. 317.",

(2) by striking "this part" and inserting "part A", and

(3) by adding at the end thereof the following:

"(b) The Secretary shall annually report to the Congress on the status and accomplishments of the transitional living youth projects which are funded under part B, with particular attention to—

"(1) the number and characteristics of homeless youth served by such projects;

"(2) describing the types of activities carried out under such projects;

"(3) the effectiveness of such projects in alleviating the immediate problems of homeless youth;

"(4) the effectiveness of such projects in preparing homeless youth for self sufficiency;

"(5) the effectiveness of such projects in helping youth decide upon future education, employment, and independent living; and

"(6) the ability of such projects to strengthen family relationships, and encourage the resolution of intra-family problems through counseling and the development of self-sufficient living skills.".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 331 of the Runaway and Homeless Youth Act (42 U.S.C. 5751) is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and

(2) by inserting after subsection (a) the following:

"(b)(1) Subject to paragraph (2), to carry out the purposes of part B of this title, there are authorized to be appropriated $5,000,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990, 1991, and 1992.

"(2) No funds may be appropriated to carry out part B of this title for a fiscal year unless the aggregate amount appropriated for such fiscal year to carry out part A of this title exceeds $26,100,000.".

(e) TECHNICAL AMENDMENTS.—The Runaway and Homeless Youth Act (42 U.S.C. 5701-5751) is amended—

(1) by inserting before the heading for section 315 the following:

"PART C—GENERAL PROVISIONS";

(2) by striking out the part heading before section 321;

(3) by striking out the part heading before section 331; and

(4) by redesignating sections 315, 316, 317, 318, 321, and 331, and all references to such sections, as sections 341, 342, 361, 362, 363, and 366, respectively.

(f) GRANTS FOR TRANSITIONAL LIVING YOUTH PROJECTS.—The Runaway and Homeless Youth Act (42 U.S.C. 5701–5751) is amended by inserting between section 314 and section 341, as redesignated herein, the following:

"PART B—TRANSITIONAL LIVING GRANT PROGRAM

"PURPOSE AND AUTHORITY FOR PROGRAM

"SEC. 321. (a) The Secretary is authorized to make grants and to provide technical assistance to public and nonprofit private entities to establish and operate transitional living youth projects for homeless youth.

"(b) For purposes of this part—

"(1) the term 'homeless youth' means any individual—

"(A) who is not less than 16 years of age and not more than 21 years of age;

"(B) for whom it is not possible to live in a safe environment with a relative; and

"(C) who has no other safe alternative living arrangement; and

"(2) the term 'transitional living youth project' means a project that provides shelter and services designed to promote a transition to self-sufficient living and to prevent long-term dependency on social services.

"ELIGIBILITY

"SEC. 322. (a) To be eligible for assistance under this part, an applicant shall propose to establish, strengthen, or fund a transitional living youth project for homeless youth and shall submit to the Secretary a plan in which such applicant agrees, as part of such project—

"(1) to provide, directly or indirectly, shelter (such as group homes, host family homes, and supervised apartments) and services (including information and counseling services in basic life skills, interpersonal skill building, educational advancement, job attainment skills, and mental and physical health care) to homeless youth;

"(2) to provide such shelter and such services to individual homeless youth throughout a continuous period not to exceed 540 days;

"(3) to provide, directly or indirectly, on-site supervision at each shelter facility that is not a family home;

"(4) that such shelter facility used to carry out such project shall have the capacity to accommodate not more than 20 individuals (excluding staff);

"(5) to provide a number of staff sufficient to ensure that all homeless youth participating in such project receive adequate supervision and services;

"(6) to provide a written transitional living plan to each youth based on an assessment of such youth's needs, designed to help the transition from supervised participation in such project to independent living or another appropriate living arrangement;

"(7) to develop an adequate plan to ensure proper referral of homeless youth to social service, law enforcement, educational, vocational, training, welfare, legal service, and health care programs and to help integrate and coordinate such services for youths;

"(8) to provide for the establishment of outreach programs designed to attract individuals who are eligible to participate in the project;

"(9) to submit to the Secretary an annual report that includes information regarding the activities carried out with funds under this part, the achievements of the project under this part carried out by the applicant and statistical summaries describing the number and the characteristics of the homeless youth who participate in such project in the year for which the report is submitted;

"(10) to implement such accounting procedures and fiscal control devices as the Secretary may require;

"(11) to submit to the Secretary an annual budget that estimates the itemized costs to be incurred in the year for which the applicant requests a grant under this part;

"(12) to keep adequate statistical records profiling homeless youth which it serves and not to disclose the identity of individual homeless youth in reports or other documents based on such statistical records;

"(13) not to disclose records maintained on individual homeless youth without the consent of the individual youth and parent or legal guardian to anyone other than an agency compiling statistical records or a government agency involved in the disposition of criminal charges against youth; and

"(14) to provide to the Secretary such other information as the Secretary may reasonably require.

"(b) In selecting eligible applicants to receive grants under this part, the Secretary shall give priority to entities that have experience in providing to homeless youth shelter and services of the types described in subsection (a)(1).".

III. Section-by-Section Analysis

A. TITLE I—HOME CARE FOR THE HOMELESS

1. Health Services for the Homeless

Sections 102–105 extend the program of project grants to community-based organizations for the provision of primary health care to homeless individuals and make minor changes in its provisions. Project grants under this program have been awarded to 109 communities in 43 States and are expected to support the delivery of health services to an estimated 400,000 individuals. The program is reauthorized at a level of $61.2 million in 1989, $63.6 million in 1990, and $66.2 million in 1991.

Changes authorized by the Committee bill include raising the local matching requirement for continuation grants from one-third to one-half, specifying that homeless individuals may continue to receive health services under a grant for a transitional period after gaining housing, and clarifying that project services may include certain services that are supplemental to traditional primary care services.

2. National Institute on Alcohol Abuse and Alcoholism

Section 106 extends the authorization for demonstration programs providing alcoholism and substance abuse treatment services for homeless individuals. The program is reauthorized at $20 million in FY 89, $25 million in FY 90, and such sums as necessary in FY 91.

3. National Institute of Mental Health

Section 107 authorizes demonstration programs to provide comprehensive community-based services to seriously mentally ill homeless individuals. The program is reauthorized at $11 million for FY 89, $11.5 million for FY 90, and such sums as necessary for FY 91. In addition, the section reauthorizes a program of block grant funds for states to provide comprehensive services to homeless seriously mentally ill individuals. Authorization levels are such sums as necessary for FY 88 through FY 91.

B. TITLE II—EDUCATION PROGRAMS FOR THE HOMELESS

Title II (sections 201 and 202) reauthorizes the education programs enacted as part of the original McKinney Act at level funding for 1989 and 1990. These programs include a program for literacy training and basic skills remediation for homeless adults at $10 million; a program of grants to states for activities related to the education of homeless children and youth at $5 million; and a program of exemplary grants to be made by the Secretary to state and local educational agencies at $2.5 million.

No substantive changes were made in the authorizing language because implementation of these programs has been recent, oversight has not been conducted; therefore changes were not warranted.

Consistent with the authorizing language, the Committee intends that reports under section 772(d) be submitted by states to the Secretary by December 31 of each year. This is to ensure that the Secretary has the opportunity to review the data contained in such reports of the states' submission of their application for funds for the following year.

C. TITLE III—JOB TRAINING FOR THE HOMELESS

Title III (section 301) reauthorizes the Job Training for the Homeless demonstration program at 12 million dollars for 1989 and 1990. This authorization level includes 10 million dollars for grants to organizations which desire to implement and administer a job training demonstration program designed to help homeless individuals become self-sufficient. In addition, 2 million dollars is authorized for job training programs for homeless veterans. In the case that less than 12 million is appropriated, the amount allocated for each of the two programs described above will be ratably reduced.

D. TITLE IV—COMMUNITY SERVICES FOR THE HOMELESS

This title reauthorizes a program to provide emergency case management for homeless individuals. The provision authorizes 40 million dollars for each of 1989 and 1990. In addition, the section authorizes a new use of funds. Under this new provision funds may be used by eligible agencies to prevent homelessness by assisting people who are in jeopardy of losing their shelter through eviction.

E. TITLE V—THE JOB FOR EMPLOYABLE DEPENDENT INDIVIDUALS ACT [JEDI]

Title V of the Committee bill is identical to S. 514, which passed the Senate unanimously on April 2, 1987. This provision authorizes a program to enhance the provision of JTPA services to long-term recipients of AFDC and SSI by paying bonuses to states that succeed in training and employing this population. The bonuses are based on the federal welfare savings produced by state and local efforts. The program will promote and encourage successful job training programs because bonuses will not be paid until after the savings have been achieved. To ensure that the bonus program is fiscally netural, the bonus is payable only for placements above a base year level.

JEDI identifies the groups that are most likely to receive AFDC or SSI next year and for several years. If an agency, private or public, within a state trains, places and privately employs persons from those groups for one full year in unsubsidized jobs, the federal government will pay the state a bonus of 75 percent of the federal share of AFDC or SSI benefits that would have been received by those persons had they not been employed. In the second year of successful employment, the state will receive 50 percent of the predicted AFDC of SSI payments, and in the third year 25 percent. According to 1987 figures the JEDI bonus payment in the average state would be $3,684 over three years. States may keep a portion (up to 15%) of the bonus for administration of the program; the rest will be passed on to participating agencies, private industry councils, and service providers, including community-based organizations, who contribute to the program.

Because AFDC is a state matching program, state treasuries will also save in AFDC benefit payments over the same three years, as well as in later years. Additional benefits will accrue from the economic self sufficiency of individuals who were once long-term AFDC recipients.

Maximum flexibility is afforded to the states. JEDI does not dictate how to deliver successful results, a framework consistent with the basic philosphy of JTPA. Based on their own experience, individual states can tailor a program particularly well suited to their unique needs.

As reported out of Committee, the bill also contains amendments to Title II-B of JTPA, (the Summer Youth Program). These amendments give stats the flexibility to use those funds to better target JTPA programs to serve the welfare youth population, particularly teen parents. Service delivery areas have the option to develop and administer an enriched program of services to youth receiving AFDC of SSI benefits, to administer a traditional summer youth program, or to administer both.

Finally, JEDI amends the performance standards provisions of JTPA to more clearly express the need for servicing the hard-to-serve and to create standards for adult education, in addition to adult employment.

F. TITLE VI—TRANSITIONAL LIVING GRANTS

Under this title, the Juvenile Justice and Delinquency Prevention Act of 1974 would be amended to provide shelter and teach indpendent living skills to the growing population of homeless youth between the ages of 16 and 21. The program would provide federal funding for education and vocational counseling and training, health services, interpersonal skill building and residential housing for not more than 20 homeless youth per home, with appropriate supervision for up to 18 months.

Under the title, funds would be administered through the Department of Health and Human Services, Office of Human Services, Administration for Children, Family and Youth, Family Youth Service Bureau.

IV. Committee Action and Votes

All votes pertaining to this bill in Committee were unanimous. The committee members agreed by unanimous consent to adopt two Kennedy amendments and a Simon amendment in block. Following that action the Committee reported the bill by unanimous voice vote.

The three amendments added in committee were:

(1) a Kennedy amendment to add the Jobs for Employable Dependent Individuals Act (S. 514). The amendment was cosponsored by Senators Hatch, Harkin, Quayle and Simon.

(2) a Kennedy amendment making technical changes in the education section.

(3) a Simon amendment to provide for transitional living centers for homeless youth.

V. Cost Estimate

U.S. Congress,
Congressional Budget Office,
Washington, DC, August 11, 1988.

Hon. Edward M. Kennedy,
Chairman, Committee on Labor and Human Resources,
U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has prepared the attached cost estimate for the Social Services for the Homeless Reauthorization Act of 1988, as ordered reported by the Senate Committee on Labor and Human Resources on July 27, 1988.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

James L. Blum,
Acting Director.

Attachment.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: Not assigned yet.

2. Bill title: Social Services for the Homeless Reauthorization Act of 1988.

3. Bill status: An original bill, as ordered reported by the Senate Committee on Labor and Human Resources on July 27, 1988.

4. Bill purpose: To reauthorize certain social services for the homeless, and for other purposes.

5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1989	1990	1991	1992	1993
TITLE I					
Health care for the homeless:					
Estimated authorization level	61	64	66		
Estimated outlays	34	55	63	29	9
Homeless alcohol services demonstrations:					
Authorization level	20	25	26		
Estimated outlays	13	23	26	9	1
Homeless mental health services demonstrations:					
Authorization level	11	12	12		
Estimated outlays	7	11	12	4	[1]
Mental health services for the homeless:					
Authorization level	35	35	35		
Estimated outlays	23	34	35	12	1
TITLE II					
Adult education:					
Authorization level	10	10			
Estimated outlays	1	8	9	2	[1]
Elementary and secondary education:					
Authorization level	5	5			
Estimated outlays	1	4	4	1	[1]
Exemplary grants:					
Authorization level	3	3			
Estimated outlays	[1]	2	2	1	[1]
TITLE III					
Job training for the homeless:					
Authorization level	12	12			
Estimated outlays	2	10	8	2	
TITLE IV					
Community services for the homeless:					
Authorization level	40	40			
Estimated outlays	28	40	12		
TITLE V					
Jobs for employable dependent individuals:					
Estimated authorization level	4	5	26	40	45
Estimated outlays	14	80	25	41	44

[By fiscal years, in millions of dollars]

	1989	1990	1991	1992	1993
TITLE VI					
Transitional living grants:					
Estimated authorization level	5	5	5	6	
Estimated outlays	1	5	5	5	4
BILL SPENDING TOTAL					
Estimated authorization level	206	215	171	46	45
Estimated outlays	125	272	203	107	58
Potential savings: [2] Estimated outlays	0	−20	−65	−121	−166
Potential net spending: Estimated outlays	125	252	138	−14	−108

[1] Less than $500,000.

[2] CBO has provided estimates of the potential welfare savings effects of authorizing language in Title V, but these estimates are contingent upon subsequent appropriations action. This contingency exists because the authorizing language does not, in and of itself, create spending authority that implements the authorized programs. Subsequent congressional action is required.

Details in the table may not add to totals due to rounding.

Basis of Estimate

The CBO estimates assume that all authorizations are fully appropriated at the beginning of each fiscal year. Outlays are estimated using spendout rates computed by CBO on the basis or recent program data.

Titlel I-IV, VI.—This bill would reauthorize several provisions of the Stewart B. McKinney Homeless Assistance Act of 1987. Authorization levels are specified in the bill for all provisions except Title I, V, and VI. Title I specifies authorization levels in fiscal years 1989 and 1990 for Homeless Alcohol Services demonstrations and Homeless Mental Health Services demonstrations and such sums as may be necessary for 1991. Title VI specifies an authorizaion level for fiscal year 1989 and such sums as may be necessary for fiscal years 1990 through 1992. All "such sums" amounts were determined by increasing the prior year authorization for inflation.

Title V.—Title V, the Jobs for Employable Dependent Individuals (JEDI) Act, authorizes four major changes in the Job Training Partnership Act (JTPA). First, the title would establish an incentive bonus for the employment of certain dependent individuals. Second, it would reallocate unexpended JTPA Title IIA balances among states. Third, it would amend the program's performance standards in a way that could induce states to train more hard-to-serve individuals, particularly long-term welfare recipients. Finally, it would amend the Summer Youth employment program to allow states to convert it into a year-round program for youth receiving Aid to Families With Dependent Children (AFDC) or Supplemental Security Income (SSI).

Estimated costs of Title V are very uncertain. Depending on state behavior in responding to the incentives provided by the JEDI bonus payments and to the authority to alter the Summer Youth program, the bill might result in net savings to the government or in net costs that exceed those we have shown in this estimate. In addition, savings as well as costs depend on the full appropriation of authorized spending levels.

Major provisions of the bill are discussed in turn.

Incentive Bonus Program.—States would be entitled to receive bonus payments for certain participants in JTPA education and training programs who are placed in jobs in excess of the number of such placements in fiscal year 1987. Participants who might qualify for bonuses are those who receive benefits from AFDC, SSI, or assistance to refugees (under section 412(e) of the Immigration and Nationality Act) and who meet either of two sets of criteria. First, they have received benefits continuously for two years prior to education or training and they have no work experience for the preceding year. Second, they are less than 22 years of age, have not completed secondary school or its equivalent, and have no work experience for the preceding year. Further, the participant must be placed in nonsubsidized employment for at least one year after participation in training, must receive income equal to or greater than the AFDC, SSI or refugee benefits, and must no longer qualify for such benefits.

The bonus for each participant would be based generally on average federal benefits in AFDC, SSI, or the refugee program received during the two years prior to qualifying for a bonus. The bonus paid would be 75 percent of the average benefits in year one, 50 percent in year two, and 25 percent in year three.

The table below shows that paid bonuses are estimated to rise from zero in 1989 to $3 million in 1993. These bonuses are for qualifying participants already being trained in JTPA, to the extent their placements in jobs exceed 1987 placements. Because CBO's baseline shows JTPA spending to remain constant in real terms, bonuses would be quite small, at least initially. Only those states with a redistribution of funds away from other states or with increased placement rates would receive bonuses. CBO estimates that bonuses would be paid for approximately 1000 JTPA participants a year.

[By fiscal year, in millions of dollars]

Incentive bonus program	1989	1990	1991	1992	1993
Bonuses paid:					
Authorization level	0	1	2	3	3
Estimated outlays	0	1	2	3	3
Costs of administration:					
Authorization level	2	2	2	2	2
Estimated outlays	2	2	2	2	2
Potential savings in welfare programs [1]					
AFDC outlays	(2)	(2)	(2)	−1	−1
Medicaid outlays	(2)	(2)	(2)	(2)	(2)
Food stamp outlays	(2)	(2)	(2)	(2)	(2)
Total outlay savings	(2)	(2)	(2)	−1	−1
Subtotal:					
Spending:					
Authorization level	2	3	4	5	5
Estimated outlays	2	3	4	5	5
Potential savings	(2)	(2)	(2)	−1	−1
Potential net spending	2	3	4	4	4

[1] Savings depend on the full appropriation of authorized spending levels.
[2] Less than $500,000.

After adjusting levels of participants and placements to those in excess of 1987 levels, CBO estimated that 30 percent of participants would meet the bonus criterion of more than two years of AFDC and 7.5 percent would meet the criterion of under 22 years of age (along with the other criteria the two groups would have to satisfy). Of these "bonus eligibles," 30 percent of the first group and 20 percent of the second group were estimated to qualify for bonuses in the first year because of their placement in jobs and loss of AFDC benefits. By the second year, 85 percent of first-year qualifiers were estimated to qualify, and by the third year, 72 percent. The bonus base (federal benefits before the 75 percent, 50 percent, or 25 percent is applied) was estimated to average $2387 for 1989 participants on AFDC more than two years and $1641 for 1989 participants less than 22 years of age. The latter group's bonus base is lower because their family size is smaller.

Because these participants would have been trained anyway—that is, without the JEDI bill—there would be no welfare savings for them over and above the savings that exist under current law. When the bonuses the states would receive are spent on education and training of additional participants, however, there would be additional welfare savings. As shown in the table, CBO estimates these savings in AFDC, Medicaid, and Food Stamps to be zero or insignificant until 1992 and 1993, when they would total $1 million in each year. These savings were based on an estimated 275 new persons trained with funds from the bonus payments in 1990 and 925 in 1993. Of these new trainees, 10.4 percent were estimated to leave AFDC as a result of the education and training in the first year after training. In the second to fourth years, the leaving rates were estimated to be 14.0 percent, 12.7 percent, and 10.8 percent, respectively. This estimated result was based on studies of work programs in AFDC, like job search and workfare, conducted by the Manpower Demonstration Research Corporation (MDRC). No studies are available that show the welfare effects of education and training programs. Thus the MDRC findings were used with a further assumption that a dollar of spending on any type of work program—job search, workfare, education, or training—has the same result. Because training costs considerably more than the other types of work programs, the estimated welfare savings used here are considerably higher than those reported by MDRC, which are for programs like job search and workfare.

Numbers of beneficiaries of either SSI or refugee assistance in training or work programs are very small. Thus costs and savings for these groups are estimated to be insignificant.

The existence of the bonuses, as well as the new performance standards, probably would induce states to reallocate JTPA funds so as to serve more participants who might qualify for bonuses. The CBO estimate shows no costs or savings for this possibility because of the uncertainties involved. We do not know how many states would react or the magnitude of their reaction. Further, we do not know how they would react: by shifting training from non-AFDC participants to bonus-eligible AFDC participants, or from AFDC participants who do not qualify for a bonus to those who would. In the first case, governments would experience welfare savings from such a shift as the AFDC trainees found jobs and left AFDC, and the savings would probably more than offset bonus costs. In the second case, however, welfare savings would probably be insignificant but there would be bonus costs. Even though CBO shows no net costs or savings from any reaction by states to the bonuses, total bonuses paid and total savings would be higher than shown in this estimate.

Costs to administer the new bonus program within JTPA at the national level are estimated to be $2 million a year. Other costs of running the program, such as tracking the work and AFDC status of participants for three years, would be paid out of the bonuses, under the bill's provision that allows up to 15 percent of bonuses to be used for these purposes. If costs exceeded this amount, they would have to be absorbed by the states.

Reallocation of Unspent Balances.—Title V would require that JTPA Title IIA allocations be reduced in states with unexpended balances in excess of 20 percent of the funds available from the previous program year. The money would be reallocated to states based on the states' needs and abilities to use the funds to train hard-to-serve individuals. While many states currently have unexpended balances above the target level, CBO estimates that this provision would have no cost. Recently states have been successful in lowering their unexpended balance carryover. In addition, a state receiving additional funds because of this provision would need time to implement service level changes, so spending of the reallocated money was assumed to occur in the same fiscal year as under current law.

Program Evaluation.—The Secretary would be required to submit a thorough evaluation of the JEDI Act within three years of enactment. The evaluation would consider the effectiveness of the program and would analyze its costs and welfare savings. CBO estimates the cost of the evaluation to be approximately $2 million per year for three years. This estimate assumed that an evaluation using control and experimental groups similar to the MDRC studies would be conducted and that six to twelve states would have to be included in the sample at a cost of $500 thousand to $1 million per state. The evaluation costs would be reduced if the JEDI evaluation could be added on to the large-scale study of JTPA that is currently taking place. If the add-on were possible, the evaluation costs might be reduced to less than $2 million in total.

Summer and AFDC/SSI Youth Program.—This section of Title V would change the currently-authorized Summer Youth program to allow states and local areas to choose a mix of services. The states could choose to establish a more intensive year-round program for AFDC or SSI recipients 14–21 years of age, to continue the existing subsidized summer jobs program for economically disadvantaged youth, or to do both. Estimated outlays are expected to increase by $12 million in 1989, $75 million in 1990, and $4 million in each year 1991 to 1993 because the greater flexibility and year-round nature of the new program would result in faster spending of currently-authorized funds. Because we assumed that the program is authorized for the entire projection period, no savings are visible from spending the money more quickly. If the program were not authorized after a given year, savings would show in the third year after the authorization expired.

[By fiscal year, in millions of dollars]

Summer and AFDC/SSI Youth Program	1989	1990	1991	1992	1993
Faster spending:					
Authorization level					
Estimated outlays	12	75	4	4	4
Reallocation of Spending:					
Bonuses paid:					
Authorization level	0	0	20	35	40
Estimated outlays	0	0	15	30	35
Potential savings in welfare programs:[1]					
AFDC outlays	0	–10	–35	–65	–90
Medicaid outlays	0	–5	–15	–30	–45
Food stamp outlays	0	–5	–15	–25	–30
Total outlay savings	0	–20	–65	–120	–165
Subtotal:					
Spending:					
Authorization level	0	0	20	35	40
Estimated outlays	12	75	19	34	39
Potential savings	0	–20	–65	–120	–165
Potential net spending or savings	12	55	–46	86	–126

[1] Savings depend on the full appropriation of projected program spending levels.

A reallocation of spending from the Summer Youth program to a year-round education and training program serving mostly young AFDC mothers would result in estimated budgetary savings. Savings would also result from training SSI youth but because their numbers are so small, these effects were ignored. Training the young AFDC mothers would cause a reduction in welfare spending to the extent the mothers found jobs as a result of the training. Such welfare savings would be partially offset by the bonuses that would have to be paid under JEDI for the mothers who found jobs and left AFDC. Total potential federal savings are estimated to be $20 million in 1990 and $165 million in 1993, offset by estimated bonus payments of zero in 1990 and $35 million in 1993.

A number of assumptions underlie this estimate. First, one-half of program spending—$375 million a year—would be sited from a summer jobs program to a year-round education and training program. Second, of the $375 million, 75 percent would be used for training young AFDC mothers rather than children in AFDC families. At an estimated average training cost of $2772 in 1989, including child care for children under the age of six, some 100,000 young mothers could be trained each year. As noted in the discussion of JEDI, the percentage of trainees for whom there would be welfare savings was estimated to range from 10.4 percent in the first year after training to 10.8 percent in the fourth year. Total welfare savings were reduced by 10 percent to allow for some lost AFDC savings from the summer youth program spending that would be reallocated.

As to the bonus payments under JEDI, CBO assumed that 75 percent of all AFDC adult trainees would have the characteristics necessary to qualify for bonuses, that is, they would be under 22 years of age, high-school dropouts, and have no work experience for the preceding year. This assumed percentage is higher than would occur without the incentive from the JEDI bonus. For example, only about 50 percent of young AFDC mothers are high-school dropouts. CBO assumed that bonus incentives would actually be paid for about 15,000 participants, an estimated 20 percent of the qualifying mothers.

6. Estimated cost to State and local government: Titles I and V have provisions that could result in costs or savings to state and local governments.

Title I.—The Secretary of Health and Human Services could require nonprofit, private entities receiving grants for community health services for the homeless to contribute not less than $1 in non-federal funds for each $3 of federal funds provided during the first fiscal year of the grant and $1 in non-federal funds for each $2 of federal funds for the subsequent years. If the entire $61.2 million authorized in 1989 were appropriated and allocated, the maximum amount that applicants would have to make available would be $20.4 million. In 1989, if the entire $63.6 million were appropriated and allocated, the maximum amount that applicants would have to make available would be $31.8 million. These non-federal funds could come from state and local governments.

Title V.—State and local government spending on welfare programs would decline under JEDI, if authorized spending levels were fully appropriated. In both AFDC and Medicaid, states share program costs with the federal government. Their share averages 45 percent in both programs. As welfare recipients are trained, placed in jobs, and lose AFDC and Medicaid benefits, states and localities would experience budgetary savings. As estimated by CBO, state and local savings would rise from $10 million in 1990 to $110 million in 1993.

[By fiscal year, in millions of dollars]

	1989	1990	1991	1992	1993
AFDC	0	−5	−30	−50	−75
Medicaid	0	−5	−15	−25	−35
Total estimated state and local outlays	0	−10	−45	−75	−110

States would also receive the bonus payments. Because these payments must be spent on education, training, and support services, CBO has not included them in the table of savings.

7. Estimate comparison: None.

8. Previous CBO estimate: On June 1, 1988, Title VI of H.R. 4352, the Omnibus McKinney Homeless Assistance Act, as ordered reported by the House Committee on Energy and Commerce;

On June 27, 1988, H.R. 4351, McKinney Housing and Shelter for the Homeless Reauthorization Act of 1988, as ordered reported by the House Committee on Banking.

9. Estimate prepared by: Lori Housman, Title I; Deborah Kalcevic, Title II; Michael Pogue, Titles III and V; Michael Namian, Titles IV and VI; Jan Peskin, Title V.

10. Estimate approved by: C.G. Nuckols (For James L. Blum, Assistant Director for Budget Analysis).

VI. REGULATORY IMPACT STATEMENT

In accordance with Rule XXVI paragraph 11(b) of the Standing Rules of the Senate, the following statement of the regulatory impact of the committee bill is made:

A. ESTIMATED NUMBERS OF INDIVIDUALS AND BUSINESSES REGULATED

It is estimated that the committee bill could have no new regulatory impact on individuals or businesses. Most of the bill, titles I-IV simply reauthorizes activities which are currently authorized. Title V, the JEDI provision, represents a program which will be administered only at state option. It is impossible to determine which states will participate and what new, if any, individuals or businesses will be regulated as a result of their participation. Finally, title VI, the transitional living centers amendment is a new program and it is impracticable to estimate at this time how many youth will eventually be affected.

B. ECONOMIC IMPACT ON INDIVIDUAL CONSUMERS AND BUSINESSES

The committee estimates that all provisions of the bill will have a generally positive economic impact upon the individuals served by the provisions of the bill. The exact economic impact of the legislation is impossible to determine. However, the bill generally stresses improved health, education, training and support services for homeless and low-income people all of which can be expected to lead to the improved employability of such individuals.

C. PRIVACY AND PAPERWORK IMPACT

The committee estimates that the bill will have no impact on the personal privacy of individuals affected by the bill. While some new paperwork will be required to verify the bonuses to be awarded under the JEDI provision, the committee estimates that this additional paperwork will be minimal.

VII. CHANGES IN EXISTING LAW

In compliance with rule XXVI paragraph 12 of the Standing Rules of the Senate, the following provides a print of the statute or the part or section thereof to be amended or replaced (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT

(Public Law 100-77)

* * * * * * *

TITLE I—GENERAL PROVISIONS

SECTION 101. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Stewart B. McKinney Homeless Assistance Act".

(b) Table of Contents.—

*   *   *   *   *   *   *

TITLE VII—EDUCATION, TRAINING, AND COMMUNITY SERVICES PROGRAMS

Subtitle A—Adult Education for the Homeless

Sec. 701. Amendment to Adult Education Act.
Sec. 702. [Statewide] *State* literacy initiatives.

Subtitle B—Education for Homeless Children and Youth

Sec. 721. Statement of policy.
Sec. 722. Grants for State activities for the education of homeless children and youth.
Sec. 723. Exemplary grants and dissemination of information activities authorized.
Sec. 724. National responsibilities.
Sec. 725. Definitions.

Subtitle C—Job Training for the Homeless

Sec. 731. Demonstration program authorized.
Sec. 732. State coordination with demonstration grant recipients.
Sec. 733. Application.
Sec. 734. Authorized activities.
Sec. 735. Payments; Federal share; limitation.
Sec. 736. Evaluation.
Sec. 737. Definitions.
Sec. 738. Homeless veterans' reintegration projects.
Sec. 739. Authorization of appropriations; availability of funds.
Sec. 740. Amendments to the Job Training Partnership Act.
Sec. 741. Termination.

Subtitle D—Emergency Community Services Homeless Grant Program

Sec. 751. Establishment of program.
Sec. 752. Allocation of grants.
Sec. 753. Program requirements.
Sec. 754. Authorization of appropriations.

Subtitle E—Miscellaneous Provisions

Sec. 761. Study of youth homelessness.
Sec. 762. Set-asides for Native Americans.

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TITLE VI—HEALTH CARE FOR THE HOMELESS

Subtitle A—Primary Health Services and Substance Abuse Services

SEC. 601. ESTABLISHMENT OF GRANT PROGRAM.

Part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by striking subpart IV and inserting the following new subpart:

Subpart IV—Health Services for the Homeless

GRANT PROGRAM FOR CERTAIN HEALTH SERVICES FOR THE HOMELESS

Sec. 340. (a) Establishment.—(1) The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall make grants for the purpose of enabling grantees, directly or through contracts, to provide for the delivery of health services to homeless individuals.

(2) In carrying out the program established in paragraph (1), the Administrator shall consult with the Director of the National Institute on Alcohol Abuse and Alcoholism and with the Director of the National Institute of Mental Health.

(b) MINIMUM QUALIFICATIONS OF GRANTEES.—The Secretary may not make a grant under subsection (a) to an applicant unless—

(1) the applicant is a public or nonprofit private entity;

(2) the applicant has the capacity to effectively administer a grant under subsection (a); and

(3) with respect to health services that are covered in the appropriate State plan approved under title XIX of the Social Security Act—

(A) if the applicant will provide under the grant any such health services directly—

(i) the applicant has entered into a participation agreement under the appropriate State plan; and

(ii) the applicant is qualified to receive payments under the appropriate State plan; and

(B) if the applicant will provide under the grant any such health services through a contract with an organization—

(i) the organization has entered into a participation agreement under the appropriate State plan; and

(ii) the organization is qualified to receive payments under the appropriate State plan.

(c) PREFERENCES IN MAKING GRANTS.—The Secretary shall, in making grants under subsection (a), give preference to qualified applicants that—

(1)(A) are experienced in the direct delivery of primary health services to homeless individuals or medically underserved populations; or

(B) are experienced in the treatment of substance abuse in homeless individuals or medically underserved populations; and

(2) agree to provide for health services to homeless individuals through both public entities and private organizations.

(d) REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS.—(1) The Secretary may not make a grant under subsection (a) to an applicant unless the applicant has submitted to the Secretary an application for the grant containing agreements in accordance with—

(A) subsection (e)(1)(A)(ii), relating to the provision of matching funds;

(B) subsection (f), relating to the provision of certain health services;

(C) subsection [(h)] *(i)*, relating to restrictions on the use of funds;

(D) subsection [(i)] *(j)*, relating to a limitation on charges for services;

(E) subsection [(j)] *(k)*, relating to the administration of grants; and

(F) subsection [(k)] *(l)*, relating to a limitation on administrative expenses.

(2) An application required in paragraph (1) shall, with respect to agreements required to be contained in the application, provide assurances of compliance satisfactory to the Secretary and shall otherwise be in such form, be made in such manner, and contain such information in addition to information required in paragraph (1) as the Secretary determines to be necessary to carry out this section.

(e) REQUIREMENT OF PROVISION OF MATCHING FUNDS.—(1)(A) The Secretary may not make a grant under subsection (a) to an applicant—

(i) in an amount exceeding 75 percent of the costs of providing health services under the grant; and

(ii) unless the applicant agrees that the applicant will make available, directly or through donations to the applicant, non-Federal contributions toward such costs in an amount equal to not less than $1 (in cash or in kind under subparagraph (B)) for each $3 of [Federal funds provided in such grant] *Federal funds provided for the first fiscal year of payments under the grant and not less than $1 (in cash or in kind under such subparagraph) for each $3 of Federal funds provided for any subsequent fiscal year of payments under the grant.*

(B)(i) Non-Federal contributions required in subparagraph (A) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(ii) Such determination may not include any cash or in-kind contributions that, prior to February 26, 1987, were made available by any public or private entity for the purpose of assisting homeless individuals (including assistance other than the provision of health services).

[(2) The Secretary may waive the requirement established in paragraph (1)(A) if—

[(A) the applicant involved is a nonprofit private grantee under section 330; and

[(B) the Secretary determines that it is not feasible for the applicant to comply with such requirement.]

(2) The Secretary may waive the requirement established in paragraph (1)(A) if the applicant involved is a nonprofit private entity and the Secretary determines that it is not feasible for the applicant to comply with such requirement.

(f) REQUIREMENT OF PROVISION OF CERTAIN HEALTH SERVICES.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant agrees that the applicant will, directly or through contract—

(1) provide health services at locations accessible to homeless individuals;

(2) provide to homeless individuals, at all hours, emergency health services;

(3) refer homeless individuals as appropriate to medical facilities for necessary hospital services;

(4) refer for mental health services homeless individuals who are mentally ill to entities that provide such services, unless the applicant will provide such services pursuant to subsection (g);

(5) provide outreach services to inform homeless individuals of the availability of health services; and

(6) aid homeless individuals in establishing eligibility for assistance, and in obtaining services, under entitlement programs.

(g) OPTIONAL PROVISION OF MENTAL HEALTH SERVICES.—A grantee under subsection (a) may expend amounts received pursuant to such subsection for the purpose of providing mental health services to homeless individuals.

(h) TEMPORARY CONTINUED PROVISION OF SERVICES TO CERTAIN FORMER HOMELESS INDIVIDUALS.—If any grantee under subsection (a) has provided services described in subsection (f) or (g) to a homeless individual, any such grantee may, notwithstanding that the individual is no longer homeless as a result of becoming a resident in permanent housing, expend the grant to continue to provide such services to the individual for not more than 12 months.

[(h)] *(i)* RESTRICTIONS ON USE OF GRANT FUNDS.—(1) The Secretary may not, except as provided in paragraph (2), make a grant under subsection (a) to an applicant unless the applicant agrees that amounts received pursuant to such subsection will not, directly or through contract, be expended—

(A) for any purpose other than the purposes described in subsections (a) and (g);

(B) to provide inpatient services, except with respect to residential treatment for substance abuse provided in settings other than hospitals;

(C) to make cash payments to intended recipients of health services or mental health services; or

(D) to purchase or improve real property (other than minor remodeling of existing improvements to real property) or to purchase major medical equipment.

(2) If the Secretary finds that the purpose described in subsection (a) cannot otherwise be carried out, the Secretary may, with respect to an otherwise qualified applicant, waive the restriction established in paragraph (1)(D).

[(i)] *(j)* LIMITATION ON CHARGES FOR SERVICES.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant agrees that, whether health services are provided directly or through contract—

(1) health services under the grant will be provided without regard to ability to pay for the health services; and

(2) if a charge is imposed for the delivery of health services, such charge—

(A) will be made according to a schedule of charges that is made available to the public;

(B) will not be imposed on any homeless individual with an income less than the official poverty level; and

(C) will be adjusted to reflect the income and resources of the homeless individual involved.

[(j)] *(k)* REQUIREMENTS WITH RESPECT TO ADMINISTRATION.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant—

(1) agrees to establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the grant;

(2) agrees to establish an ongoing program of quality assurance with respect to the health services provided under the grant;

(3) agrees to ensure the confidentiality of records maintained on homeless individuals receiving health services under the grant;

(4) with respect to providing health services to any population of homeless individuals a substantial portion of which has a limited ability to speak the English language—

(A) has developed and has the ability to carry out a reasonable plan to provide health services under the grant through individuals who are able to communicate with the population involved in the language and cultural context that is most appropriate; and

(B) has designated at least one individual, fluent in both English and the appropriate language, to assist in carrying out the plan; and

(5) agrees to submit to the Secretary an annual report that describes the utilization and costs of health services provided under the grant and that provides such other information as the Secretary determines to be appropriate.

[(k)] *(l)* LIMITATION ON ADMINISTRATIVE EXPENSES OF GRANTEE.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant agrees that the applicant will not expend more than 10 percent of amounts received pursuant to such subsection for the purpose of administering the grant.

[(l)] *(m)* USE OF GRANT FUNDS FOR REFERRALS TO CERTAIN ADVOCACY SYSTEMS.—A grantee under subsection (a) may, with respect to title I of the Protection and Advocacy for Mentally Ill Individuals Act of 1986, expend amounts received under subsection (a) for the purpose of referring homeless individuals who are chronically mentally ill, and who are eligible under such Act, to systems that provide advocacy services under such Act.

[(m)] *(n)* USE OF SELF-HELP ORGANIZATIONS.—Any grantee under subsection (a) may provide health services through contracts with nonprofit self-help organizations that—

(1) are established and managed by current and former recipients of mental health services, or substance abuse services, who have been homeless individuals; and

(2) with respect to the provision of health services described in subsection (b)(3), are organizations qualified under subparagraph (B) of such subsection.

[(n)] *(o)* TECHNICAL ASSISTANCE.—(1) The Secretary may, without charge to any grantee under subsection (a), provide technical assistance to any such grantee with respect to the planning, development, and operation of programs to carry out the purpose described in such subsection. The Secretary may provide such technical assistance directly, through contract, or through grants.

(2) Of the amounts appropriated pursuant to subsection [(p)(1)] *(q)(1) for a fiscal year*, the Secretary may expend not more than $2,000,000 for the purpose of carrying out paragraph (1).

[(o)] *(p)* Annual Reports by Secretary.—Not later than January 10 of each year, the Secretary shall submit to the Congress a report describing the utilization and costs of health services provided under subsection (a) during the immediately preceding fiscal year.

[(p)] *(q)* Funding.—(1) [There are authorized to be appropriated to carry out this section $50,000,000 for fiscal year 1987 and $30,000,000 for fiscal year 1988.] *There are authorized to be appropriated to carry out this section $61,200,000 for fiscal year 1989, $63,600,000 for fiscal year 1990, and $66,200,000 for fiscal year 1991.*

(2) Amounts received by a grantee pursuant to subsection (a) remaining unobligated at the end of the fiscal year in which the amounts were received shall remain available to the grantee during the succeeding fiscal year for the purpose described in such subsection.

[(q)] *(r)* Definitions.—For purposes of this section:

(1) The term "health services" means primary health services and substance abuse services.

(2) The term "homeless individual" means an individual who lacks housing (without regard to whether the individual is a member of a family), including an individual whose primary residence during the night is a supervised public or private facility that provides temporary [living accommodations] *living accommodations and an individual who is a resident in transitional housing.*

(3) The term "medically underserved population" has the meaning given such term in section 330(b)(3).

(4) The term "official poverty level" means the nonfarm income official poverty line defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981.

(5) The term "organization" includes individuals, corporations, partnerships, companies, and associations.

(6) The term "primary health services" has the meaning given such term in section 330(b)(1).

(7) The term "substance abuse" has the meaning given such term in section 536(4).

(8) The term "substance abuse services" includes detoxification and residential treatment for substance abuse provided in settings other than hospitals.

SEC. 602. PROVISION OF HEALTH SERVICES TO THE HOMELESS BY NATIONAL HEALTH SERVICE CORPS.

Section 332(a) of the Public Health Service Act (42 U.S.C. 254e(a)) is amended by adding at the end the following new paragraph:

(3) Homeless individuals (as defined in section [340(q)(2)] *340(r)*) may be a population group under paragraph (1).

SEC. 603. REQUIREMENT OF CERTAIN STUDY WITH RESPECT TO HOMELESSNESS.

The Secretary of Health and Human Services shall, not later than 18 months after the date of the enactment of this Act—

(1) complete a study with respect to determining the extent to which the mental health deinstitutionalization policies of the States are contributing to the problem of homelessness; and

(2) submit to the Congress the findings made as a result of such study, including any recommendations of the Secretary with respect to administrative and legislative initiatives that can reduce the number of chronically mentally ill individuals who are homeless.

Subtitle B—Community Mental Health Services

SEC. 611. ESTABLISHMENT OF BLOCK GRANT PROGRAM FOR SERVICES TO HOMELESS INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL.

Title V of the Public Health Service Act (42 U.S.C. 290aa et seq.) is amended—

(1) by redesignating part C as part D;

(2) by redesignating sections 520 through 527 as sections 541 through 548, respectively; and

(3) by inserting after part B the following new part:

PART C—COMMUNITY MENTAL HEALTH SERVICES FOR THE HOMELESS

ESTABLISHMENT OF BLOCK GRANT PROGRAM FOR SERVICES TO HOMELESS INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL

SEC. 521. (a) REQUIREMENT OF ALLOTMENTS FOR STATES.—The Secretary shall for fiscal years [1987 and 1988] *1987 through 1991* allot to each State an amount determined in accordance with sections 528 and 529. The Secretary shall, in accordance with section 530, make payments each such fiscal year to each State from the allotment for the State if the Secretary approves for each such fiscal year an application submitted by the State pursuant to section 522.

(b) PURPOSE OF ALLOTMENTS.—The Secretary may not make payments under subsection (a) to a State for a fiscal year unless the State agrees that amounts received by the State pursuant to such subsection will be expended only for the purpose of providing, in accordance with section 524, community mental health services to homeless individuals who are chronically mentally ill.

REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS

SEC. 522. (a) IN GENERAL.—The Secretary may not make payments under section 521(a) to a State for a fiscal year unless the State has submitted to the Secretary an application for the payments containing agreements in accordance with—

(1) section 521(b), relating to the purpose of allotments;

(2) section 523(a)(2), relating to the provision of matching funds;

(3) section 524, relating to the provision of certain mental health services;

(4) section 525, relating to restrictions on the use of payments;

(5) section 526, relating to the submission of a description of the intended use of a block grant; and

(6) section 527, relating to reports by the States.

(b) CERTIFICATIONS.—Agreements required under subsection (a) to be submitted to the Secretary shall be made through certification from the chief executive officer of the State involved.

(c) SUBMISSION OF CERTAIN DOCUMENTS RELATING TO USE OF PAYMENTS.—

* * * * * * *

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 535. There are authorized to be appropriated to carry out this part $35,000,000 for fiscal year 1987 and such sums as may be necessary for **[**fiscal year 1988**]** *for each of the fiscal years 1988 through 1991.*

DEFINITIONS

SEC. 536. For purposes of this part:

(1) The term "homeless individual" has the meaning given such term in section **[**340(q)(2)**]** *340(r).*

(2) The term "primary health services" has the meaning given such term in section 330(b)(1).

(3) The term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(4) The term "substance abuse" means the abuse of alcohol or other drugs.

SEC. 612. COMMUNITY MENTAL HEALTH SERVICES DEMONSTRATION PROJECTS FOR HOMELESS INDIVIDUALS WHO ARE CHRONICALLY MENTALLY ILL.

SEC. 504. [290aa-3].

* * * * * * *

(f)(1) The Secretary, acting through the Director, may make grants to States, political subdivisions of States, and private nonprofit agencies for mental health services demonstration projects for the planning, coordination, and improvement of community services for chronically mentally ill individuals, seriously mentally disturbed children, elderly individuals, and homeless chronically mentally ill individuals, and for the conduct of research concerning such services.

(2) The Secretary may make a grant under paragraph (1) for not more than three consecutive one-year periods, except that the Secretary may waive the limitation of this paragraph with respect to a particular grant if the Secretary determines that extenuating circumstances exist which merit such waiver.

[(3) For purposes of paragraphs (1) and (2) there are authorized to be appropriated $20,000,000 for each of the fiscal years 1985 and 1986, and $24,000,000 for fiscal year 1988.**]**

(3) In order to provide grants for the homeless mentally ill under paragraphs (1) and (2), there is authorized to be appropriated, in addition to any other amounts appropriated pursuant to this subsec-

tion to be available for the provision of community based mental health services for homeless individuals who are seriously mentally ill—

(A) $11,000,000 for fiscal year 1989;

(B) $11,500,000 for fiscal year 1990; and

(C) such sums as are necessary in fiscal year 1991.

(4)(A) Not more than 25 percent of the total amount of a grant for fiscal year 1988 made to a State under this subsection for a project for services for chronically mentally ill adults (other than a project for services for elderly individuals or a project for services for homeless chronically mentally ill individuals) may be used by the State for administrative expenses in carrying out such grant in such fiscal year.

(B) Not more than 25 percent of the total amount of any grant made to a State under this subsection for services to chronically mentally ill adults for any fiscal year (beginning with fiscal year 1989) may be used by the State for administrative expenses in carrying out such grant in such fiscal year.

(g) The Secretary, acting through the Director, may make grants to States for the purpose of developing State comprehensive mental health plans referred to in section 1916(e).

(h) The Director shall—

(1) develop and publish information respecting the causes of suicide and the means of preventing suicide; and

(2) makes such information generally available to the public and health professionals.

Information developed, published, and distributed under this subsection shall especially relate to suicide among individuals under the age of 21.

(i) The Secretary, acting through the Director, may make grants to and enter into cooperative agreements and contracts with public and nonprofit private entities for research on mental illness.

SEC. 613. COMMUNITY DEMONSTRATION PROJECTS FOR ALCOHOL AND DRUG ABUSE TREATMENT OF HOMELESS INDIVIDUALS.

(a) In General.—Section 512 of the Public Health Service Act (42 U.S.C. 290bb-1a) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

(c)(1) The Secretary, acting through the Director of the Institute, may make grants to, and enter into contracts and cooperative agreements with, community-based public and private nonprofit entities for the purpose of developing and expanding alcohol and drug abuse treatment services for homeless individuals. In carrying out this subsection, the Director shall consult with the Director of the National Institute on Drug Abuse.

(2) Amounts paid to a grantee pursuant to paragraph (1) remaining unobligated at the end of the fiscal year in which the amounts were received shall remain available to the grantee during the succeeding fiscal year for the purposes for which the grants were made.".

(b) Limitation on Authority to Make Grants.—Section 512(d) of the Public Health Service Act (as redesignated in subsection (a) of this section) is amended by striking "subsection (a)" and inserting "subsection (a) or (c)".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 513 of the Public Health Service Act (42 U.S.C. 290bb-2) is amended—

(1) by inserting "(a)" after "513."; and

(2) by adding at the end the following new subsection:

(b) There is authorized to be appropriated to carry out section 512(c) $10,000,000 for fiscal year 1987. *There are authorized to be appropriated $20,000,000 in fiscal year 1989, $25,000,000 in fiscal year 1990, and such sums as are necessary in fiscal year 1991, to carry out section 512(c).*

TITLE VII—EDUCATION, TRAINING, AND COMMUNITY SERVICES PROGRAMS

Subtitle A—Adult Education for the Homeless

SEC. 701. AMENDMENT TO ADULT EDUCATION ACT.

(a) STATE PLANS.—Section 306(b) of the Adult Education Act (20 U.S.C. 1205(b)) is amended—

(1) in paragraph (1), by inserting "homeless adults," after "English language skills,";

(2) in paragraph (7), by inserting "organizations providing assistance to the homeless," after "antipoverty programs,"; and

(3) in paragraph (8), by inserting "homeless adults," after "English language skills,".

(b) RESEARCH AND DEMONSTRATION.—Section 309(a)(1)(A) of the Adult Education Act (20 U.S.C. 1207a(a)(1)(A)) is amended—

(1) by inserting "homeless adults," before "elderly"; and

(2) by inserting a comma after "individuals".

SEC. 702. [STATEWIDE LITERACY INITIATIVES] *STATE LITERACY INITIATIVES.*

(a) GENERAL AUTHORITY.—The Secretary of Education shall make grants to State educational agencies to enable each such agency [to develop a plan and implement a program] *to implement, either directly or through contracts and grants, a program* of literacy training and basic skills remediation for adult homeless individuals within the State, which shall—

(1) include a program of outreach activities; and

(2) be coordinated with existing resources such as community-based organizations, VISTA recipients, adult basic education program recipients, and nonprofit literacy-action organizations.

(b) APPLICATION.—Each State educational agency desiring to receive its allocation under this section shall submit to the Secretary of Education an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

(c) AUTHORIZATION OF APPROPRIATIONS; ALLOCATION.—

[(1) There are authorized to be appropriated $7,500,000 for fiscal year 1987 and $10,000,000 for fiscal year 1988, for the adult literacy and basic skills remediation programs authorized by this section.]

(1) There is authorized to be appropriated $10,000,000 for each of the fiscal years 1989 and 1990 for the adult literacy and basic skills remediation programs authorized by this section.

(2) The Secretary of Education shall distribute funds to States on the basis of the assessments of the homeless population in the States made in the comprehensive plans submitted under this Act, except that no State shall receive less than $75,000 under this section.

(d) Definition.—As used in this section, the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

Subtitle B—Education for Homeless Children and Youth

SEC. 721. STATEMENT OF POLICY.

It is the policy of the Congress that—

(1) each State educational agency shall assure that each child of a homeless individual and each homeless youth have access to a free, appropriate public education which would be provided to the children of a resident of a State and is consistent with the State school attendance laws; and

(2) in any State that has a residency requirement as a component of its compulsory school attendance laws, the State will review and undertake steps to revise such laws to assure that the children of homeless individuals and homeless youth are afforded a free and appropriate public education.

SEC. 722. GRANTS FOR STATE ACTIVITIES FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTH.

(a) General Authority.—The Secretary of Education is, in accordance with the provisions of this section, authorized to make grants to States to carry out the activities described in subsections (c), (d), and (e).

(b) Allocation.—From the amounts appropriated for each fiscal year pursuant to subsection (g), the Secretary shall allot to each State an amount which bears the same ratio to the amount appropriated in each such year as the amount allocated under section 111 of the Elementary and Secondary Education Act of 1965 (as incorporated by reference in chapter 1 of the Education Consolidation and Improvement Act of 1981) to the local educational agencies in the State in that year bears to the total amount allocated to such agencies in all States, except that no State shall receive less than $50,000 in any fiscal year.

(c) Authorized Activities.—Grants under this section shall be used—

(1) to carry out the policies set forth in section 721 in the State;

(2) to establish or designate an Office of Coordinator of Education of Homeless Children and Youth in accordance with subsection (d); and

(3) to prepare and carry out the State plan described in subsection (e).

(d) FUNCTIONS OF THE OFFICE OF COORDINATOR.—The Coordinator of Education of Homeless Children and Youth established in each State shall—

(1) *annually* gather data on the number and location of homeless children and youth in the State, and such data gathering shall include the nature and extent of problems of access to, and placement of, homeless children and homeless youth in elementary and secondary schools, and the difficulties in identifying the special needs of such children;

(2) develop and carry out the State plan described in subsection (e); and

[(3) prepare and submit to the Secretary an interim report not later than December 31, 1987, and a final report not later than December 31, 1988, on the data gathered pursuant to paragraph (1).]

(3) prepare and submit to the Secretary not later than December 31 of each year a report on the data gathered pursuant to paragraph (1).

To the extent that reliable current data is available in the State, each coordinator described in this subsection may use such data to fulfill the requirements of paragraph (1).

(e) STATE PLAN.—

(1) Each State shall adopt a plan to provide for the education of each homeless child or homeless youth within the State which will contain provisions designed to—

(A) authorize the State educational agency, the local educational agency, the parent or guardian of the homeless child, the homeless youth, or the applicable social worker to make the determinations required under this section; and

(B) provide procedures for the resolution of disputes regarding the educational placement of homeless children and youth.

(2) Each plan adopted under this subsection shall assure, to the extent practicable under requirements relating to education established by State law, that local educational agencies within the State will comply with the requirements of paragraphs (3) through (6).

(3) The local educational agency of each homeless child or youth shall either—

(A) continue the child's or youth's education in the school district of origin for the remainder of the school year; or

(B) enroll the child or youth in the school district where the child or youth is actually living;

whichever is in the child's best interest or the youth's best interest.

(4) The choice regarding placement shall be made regardless of whether the child or youth is living with the homeless parents or has been temporarily placed elsewhere by the parents.

(5) Each homeless child shall be provided services comparable to services offered to other students in the school selected according to the provisions of paragraph (3), including educational services for which the child meets the eligibility criteria,

such as compensatory educational programs for the disadvantaged, and educational programs for the handicapped and for students with limited English proficiency; programs in vocational education; programs for the gifted and talented; and school meals programs.

(6) The school records of each homeless child or youth shall be maintained—

(A) so that the records are available, in a timely fashion, when a child or youth enters a new school district; and

(B) in a manner consistent with section 438 of the General Education Provisions Act.

(f) APPLICATION.—No State may receive a grant under this section unless the State educational agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(g) AUTHORIZATION OF APPROPRIATIONS.—

[(1) There are authorized to be appropriated $5,000,000 for each of the fiscal years 1987 and 1988 to carry out the provisions of this section.]

(1) There is authorized to be appropriated to carry out this section $5,000,000 for each of the fiscal years 1989 and 1990.

(2) Sums appropriated in each fiscal year shall remain available for the succeeding fiscal year.

SEC. 723. EXEMPLARY GRANTS AND DISSEMINATION OF INFORMATION ACTIVITIES AUTHORIZED.

(a) GENERAL AUTHORITY.—

(1) The Secretary shall, from funds appropriated pursuant to subsection (f), make grants for exemplary programs that successfully address the needs of homeless students in elementary and secondary schools of the applicant.

(2) The Secretary shall, in accordance with subsection (e), conduct dissemination activities of exemplary programs designed to meet the educational needs of homeless elementary and secondary school students.

(b) APPLICANTS.—The Secretary shall make grants to State and local educational agencies for the purpose described in paragraph (1) of subsection (a).

(c) ELIGIBILITY FOR GRANTS.—No applicant may receive an exemplary grant under this section unless the applicant is located in a State which has submitted a State plan in accordance with the provisions of section 722.

(d) APPLICATION.—Each applicant which desires to receive a demonstration grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall include—

(1) a description of the exemplary program for which assistance is sought;

(2) assurances that the applicant will transmit information with respect to the conduct of the program for which assistance is sought; and

(3) such additional assurances that the Secretary determines are necessary.

(e) Dissemination of Information Activities.—The Secretary shall, from funds appropriated pursuant to subsection (f), conduct, directly or indirectly by way of grant, contract, or other arrangement, dissemination activities designed to inform State and local educational agencies of exemplary programs which successfully address the special needs of homeless students.

[(f) Appropriations Authorized.—There is authorized to be appropriated $2,500,000 for fiscal year 1988 to carry out the provisions of this section.]

(f) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $2,500,000 for each of the fiscal years 1989 and 1990.

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Subtitle C—Job Training for the Homeless

* * * * * * *

SEC. 739. AUTHORIZATION OF APPROPRIATIONS; AVAILABILITY OF FUNDS.

(a) Authorization of Appropriations.—

[(1) There is authorized to be appropriated $12,000,000 for fiscal year 1988 to carry out the provisions of this subtitle, of which $2,000,000 shall be available only for the purpose of carrying out section 738.]

(1) There is authorized to be appropriated to carry out this subtitle $12,000,000 for each of the fiscal years 1989 and 1990, of which amount $2,000,000 for each fiscal year shall be available only to carry out section 738.

(2) If [in fiscal year 1988] *for any fiscal year* the appropriation is less than [$12,000,000] *the amount authorized in paragraph (1)* to carry out the provisions of this subtitle, the amount available in such fiscal year for the programs under this subtitle other than section 738 and for the program under section 738 shall be ratably reduced.

(3) Nothing in this subtitle shall be construed to require the Secretary to carry out the provisions of this subtitle from funds appropriated for programs other than funds appropriated for this subtitle.

(b) Availability of Funds.—Funds obligated for any fiscal year may be expended by each recipient during that fiscal year and the succeeding fiscal year.

SEC. 740. AMENDMENTS TO THE JOB TRAINING PARTNERSHIP ACT.

(a) Definition.—Section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)) is amended—

(1) by redesignating clauses (D) and (E) as clauses (E) and (F), respectively; and

(2) by inserting after clause (C) the following:

(D) qualifies as a homeless individual under section 103 of the Stewart B. McKinney Homeless Assistance Act;

(b) Service Requirement.—Section 141(e) of the Job Training Partnership Act (29 U.S.C. 1551(e)) is amended by inserting before the period at the end the following: ", including exceptions necessary to permit services to homeless individuals who cannot prove residence within the service delivery area".

SEC. 741. TERMINATION.

The provisions of this subtitle other than section 740 shall terminate on October 1, 1990.

Subtitle D—Emergency Community Services Homeless Grant Program

SEC. 751. ESTABLISHMENT OF PROGRAM.

The Secretary of Health and Human Services (in this subtitle referred to as the "Secretary") shall carry out an emergency community services homeless grant program through the Office of Community Services of the Department of Health and Human Services.

SEC. 752. ALLOCATION OF GRANTS.

(a) General Allocation Procedure.—From the amounts made available under this subtitle, the Secretary shall make grants to States that administer programs under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.). Such grants shall be allocated to the States in accordance with the formula set forth in section 674(a)(1) of such Act (42 U.S.C. 9903(a)(1)).

(b) Alternate Allocation Procedure.—If a State does not apply for a grant or does not submit an approvable application for a grant under this subtitle, the Secretary shall use the amounts made available under this subtitle to make grants directly to agencies and organizations in such State in accordance with the criteria set forth in section 753(b)(1).

SEC. 753. PROGRAM REQUIREMENTS.

(a) Application.—In order to receive a grant under this subtitle, a State shall submit an application to the Secretary in such form and at such time as the Secretary may require. Such application shall describe the agencies, organizations, and activities that the State intends to support with the amounts received.

(b) Assurances.—In order to receive a grant under this subtitle, a State shall ensure that—

(1)(A) it will award all of the amounts it receives to—

(i) community action agencies that are eligible to receive amounts under section 675(c)(2)(A) of the Community Services Block Grant Act (42 U.S.C. 9904(c)(2)(A));

(ii) organizations serving migrant and seasonal farmworkers; and

(iii) any organization to which a State, that applied for and received a waiver from the Secretary under Public Law 98-139, made a grant under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.) for fiscal year 1984; and

(B) not less than 90 percent of the amounts received shall be awarded to such agencies and organizations that, as of January

1, 1987, are providing services to meet the critically urgent needs of homeless individuals;

(2) no amount received under this subtitle will be used to supplant other programs for homeless individuals administered by the State; [and]

(3) no amount received under this subtitle will be used to defray State administrative costs[.]*; and*

(4) not more than 25 percent of the amounts received will be used for the purpose described in subsection (c)(4).

(c) Eligible Use of Funds.—Amounts awarded under this subtitle may be used only for the following purposes:

(1) Expansion of comprehensive services to homeless individuals to provide follow-up and long-term services to enable homeless individuals to make the transition out of poverty.

(2) Provision of assistance in obtaining social and maintenance services and income support services for homeless individuals.

(3) Promotion of private sector and other assistance to homeless individuals.

(4) Provision of assistance to any individual who has received a notice of foreclosure, eviction, or termination of utility services, if—

(A) the inability of the individual to make mortgage, rental, or utility payments is due to a sudden reduction in income;

(B) the assistance is necessary to avoid the foreclosure, eviction, or termination of utility services; and

(C) there is a reasonable prospect that the individual will be able to resume the payments within a reasonable period of time.

SEC. 754. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out this subtitle $40,000,000 for each of the fiscal years 1987 and 1988.]

There is authorized to be appropriated to carry out this subtitle $40,000,000 for each of the fiscal years 1989 and 1990.

JOB TRAINING PARTNERSHIP ACT

AN ACT To provide for a job training program and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; TABLE OF CONTENTS

Section 1. This Act may be cited as the "Job Training Partnership Act".

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STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to establish programs to prepare youth and unskilled adults for entry into the labor force and to afford job training to those economically disadvantaged individuals and other individuals facing serious barriers to employment, who are in special need of such training to obtain productive employment.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. (a)(1) There are authorized to be appropriated to carry out part A of title II and title IV (other than part B of such title) such sums as may be necessary for fiscal year 1983 and for each succeeding year.

(2) From the amount appropriated pursuant to paragraph (1) for any fiscal year, an amount equal to not more than 7 percent of the total amount appropriated pursuant to this section shall be available to carry out parts A, C, D, E, F, and G of title IV.

(3) Of the amounts so reserved under paragraph (2)—

(A) 5 percent shall be available for part C of title IV, and

(B) $2,000,000 shall be available for part F of title IV.

(b) There are authorized to be appropriated to carry out part B of title II such sums as may be necessary for fiscal year 1983 and for each succeeding fiscal year.

(c) There are authorized to be appropriated to carry out title III such sums as may be necessary for fiscal year 1983 and for each succeeding fiscal year.

(d) There are authorized to be appropriated $618,000,000 for fiscal year 1983, and such sums as may be necessary for each succeeding fiscal year, to carry out part B of title IV of this Act.

(e) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of title V of this Act.

[(e)](*f*) The authorizations of appropriations contained in this section are subject to the program year provisions of section 161.

* * * * * * *

TITLE I—JOB TRAINING PARTNERSHIP

PART A—SERVICE DELIVERY SYSTEM

* * * * * * *

JOB TRAINING PLAN

SEC. 104. (a) No funds appropriated for any fiscal year may be provided to any service delivery area under this Act except pursuant to a job trianing plan for two program years which is prepared in accordance with section 103 and which meets the requirements of this section.

(b) Each job training plan shall contain—

(1) identification of the entity or entities which will administer the program and be the grant recipient of funds from the State;

(2) a description of the services to be provided, including the estimated duration of service and the estimated training cost per participant;

(3) procedures for identifying and selecting participants and for eligibility determination and verification;

(4) performance goals established in accordance with standards prescribed under section 106;

(5) procedures, consistent with section 107, for selecting service providers which take into account past performance in job training or related activities, fiscal accountability, and ability to meet performance standards;

(6) the budget for two program years and any proposed expenditures for the succeeding two program years, in such detail as is determined necessary by the entity selected to prepare this portion of the plan pursuant to section 103(b)(1)(B) and to meet the requirements of section 108;

(7) a description of the procedures and methods of carrying out the provisions of title V, relating to incentive bonus payments for employable dependent individuals;

(8)[(7)] a description of methods of complying with the coordination criteria contained in the Government's coordination and special services plan;

(9)[(8)] if there is more than one service delivery area in a single labor market area, provisions for coordinating particular aspects of individual service delivery area programs, including—

(A) assessment of needs and problems in the labor market that form the basis for program planning;

B) provisions for ensuring access by program participants in each service delivery area of skills training and employment opportunties throughout the entire labor market; and

(C) coordinated or joint implementation of job development, placement, and other employer outreach activities;

(10)[(9)] fiscal control accounting, audit and debt collection procedures to assure the proper disbursal of, and accounting for, funds received under this title; [and]

(11)[(10)] procedures for the preparation and submission of an annual report to the Governor which shall include—

(A) a description of activities conducted during the program year;

(B) characteristics of participants; and

(C) the extent to which the activities exceeded or failed to meet relevant performance standards[.]*; and*

(12) for service delivery areas intending to operate or operating a program under section 254, a comprehensive plan of service in accordance with the requirements of section 254(c)(1).

* * * * * * *

REVIEW AND APPROVAL OF PLAN

Sec. 105. (a) * * *

(b)(1) The Governor shall approve the job training plan or modification thereof unless he finds that—

(A) corrective measures for deficienies found in audits or in meeting performance standards from previous years have not been taken or are not acceptably underway;

(B) the entity proposed to administer the program does not have the capacity to administer the funds;

(C) there are inadequate safeguards for the protection of funds received;

(D) the plan (or modification) does not comply with a particular provision or provisions of this Act or of regulations of the Secretary under this Act; [or]

(E) the plan (or modification) does not compy with the criteria under section 121(b) for coordinating activities under this Act with related program activities [.]*; or*

(F) for service delivery areas intending to operate or operating a program under section 254, the plan (or modification) does not include the required comprehensive plan of service (in accordance with the requirements of section 254(c)(1)).

* * * * * * *

PERFORMANCE STANDARDS

Sec. 106. (a) The Congress recognizes that job training is an investment in human capital and not an expense. In order to determine whether that investment has been productive, the Congress finds that—

(1) it is essential that criteria for measuring the return on this investment be developed; and

(2) the basic return on the investment is to be measured by the increased employment and earnings of participants and the reductions in welfare dependency.

(b)(1) The basic measure of performance for adult training programs under title II is the increase in employment and earnings and the reductions in welfare dependency resulting from participation in the program. In order to determine whether these basic measures are achieved, the Secretary shall prescribe standards on the basis of appropriate factors which may include (A) placement in unsubsidized employment, (B) retention in unsubsidized employment, (C) the increase in earnings, including hourly wages, and (D) reduction in the number of individuals and families receiving cash welfare payments and the amounts of such payments.

(2) In prescribing standards under this section the Secretary shall [also] designate factors for evaluating the performance of youth programs *under part A of title II* which, in addition to appropriate utilization of the factors described in paragraph (1), shall be (A) attainment of recognized employment competencies recognized by the private industry council (B) elementary, secondary, and postsecondary school completion, or the equivalent thereof, and (C) enrollment in other training programs, or apprenticeship, or enlistment in the Armed Forces.

(3) The Secretary shall, at such time as the Secretary deems appropriate, prescribe standards for evaluating the performance of the AFDC youth and SSI youth employment and training programs unders section 254. In prescribing such standards, the Secretary shall designate factors which, in addition to appropriate utilization of the factors described the paragraphs (1) and (2), may include, to the extent practicable, measures of basic education gains and reduced welfare dependency.

[(3)] *(4).* The standards include provisions governing—

(A) the base period prior to program participation that will be used;

(B) a representative period after termination from the program that is a reasonable indicator or postprogram earnings and cash welfare payment reductions; and

(C) cost-effective methods for obtaining such data as is necessary to carry out this section, which, notwithstanding any other provision of law, may include access to earnings records, State employment security records, Federal Insurance Contributions Act records, State aid to families with dependent children records, statistical sampling techniques, and similar records or measures.

(4) The Secretary shall prescribe performance standards relating gross program expenditures to various performance measures.

(5) In prescribing performance standards under this section for programs authorized by section 109 and title V, relating to the placement of certain employable dependent individuals, the Secretary shall weight the placement of such individuals in accordance with the average cost of successful placement of such individuals compared to the average cost of successful placement of individuals eligible for services under part A of title II of this Act.

* * * * * * *

(e)*(1)* Each Governor may prescribe, within parameters established by the Secretary, variations in the standards under this subsection based upon specific economic, geographic, and demographic factors in the State and in service delivery areas within the State, the characteristics of the population to be served, and the type of services to be provided.

(2) The Secretary shall—

(A) provide improved information and technical assistance on performance standards adjustment approaches;

(B) collect data that better specifies hard-to-serve individuals and long-term welfare dependency; and

(C) provide guidance on setting performance goals at the service provider level that encourages increased service to the hard-to-serve, particularly long-term welfare recipients, including title IV of the Social Security Act relating to aid to families with dependent children and title XVI relating to supplementary security income.

The Secretary shall also reexamine performance standards to ensure that such standards provide maximum flexibility in serving the hard-to-serve, particularly long-term welfare recipients, including title IV of the Social Security Act relating to aid to families with dependent children and title XVI relating to supplementary security income.

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(h)(1) The Governor shall provide technical assistance to programs which do not meet performance criteria. If the failure to meet performance standards persists for a second year, the Governor shall impose a reorganization plan. Such plan may restructure the private industry council; prohibit the use of designated service providers or make such other changes as the Governor deems necessary to improve performance. The Governor may also select an alternate entity to administer the program for the service delivery area.

(2) The alternative administrative entity may be a newly formed private industry council or any agency jointly selected by the Governor and the chief elected official of the largest unit of general local government in the service delivery area.

(3) No change may be made under this subsection without an opportunity for a hearing before a hearing officer.

(4) The decision of the Governor may be appealed to the Secretary, who shall make a final decision within 60 days of the receipt of the appeal.

(i)(1) The basic measure of performance for adult education programs under section 204 shall be the attainment of educational competence in reading, writing, and computation, including, where appropriate, acquisition of the general education degree in order to reduce welfare dependency by increasing individual employability. In order to determine whether the basic measures are achieved, the Secretary shall prescribe standards on the basis of appropriate factors which should include: (A) satisfactory progress toward mastering the basic academic competences, (B) measured progress through each grade level, (C) retention in the program and placement, if possible, in employment, and (D) satisfactory completion of the general education degree.

(2) Nothing in this subsection shall be construed to modify the performance standard prescribed in subsection (b) of this section.

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Part B—Additional State Responsibilities

GOVERNOR'S COORDINATION AND SPECIAL SERVICES PLAN

Sec. 121. (a)(1) The Governor shall annually prepare a statement of goals and objectives for job training and placement programs within the State to assist in the preparation of the plans required under section 104 of this Act and section 8 of the Act of June 6, 1933 (known as the Wagner-Peyser Act)

(2) Any State seeking financial assistance under this Act shall submit a Governor's coordination and special services plan for two program years to the Secretary describing the use of all resources provided to the State and its service delivery areas under this Act and evaluating the experience over the preceding two years.

(b)(1) The plan shall establish criteria for coordinating activities under this Act (including title III) with programs and services provided by State and local education and training agencies (including vocational education agencies), public assistance agencies, the employment service, rehabilitation agencies, programs for the homeless, postsecondary institutions, economic development agencies, and such other agencies as the Governor determines to have a direct interest in employment and training and human resource utilization within the State. Such criteria shall not affect local discretion concerning the selection of eligible participants or service providers in accordance with the provisions of section 107 and 203.

(2) The plan shall describe the projected use of resources, including oversight and support activities, priorities and criteria for State incentive grants, and performance goals for State supported programs.

(3) The State plan shall include a description of the manner in which the State will encourage the successful carrying out of—

(A) training activities for employable dependent individuals whose placement is the basis for the payment to the State of the incentive bonus authorized by title V; and

(B) the training services, outreach activities, and preemployment support activities furnished to such individuals.

[(3)] *(4)* The Governor shall report to the Secretary the adjustments made in the performance standards and the factors that are used in making the adjustments.

[(4)] *(5)* If major changes occur in labor market conditions funding, or other factors during the two-year period covered by the plan, the State shall submit a modification to the Secretary describing these changes.

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Part D—Federal and Fiscal Administrative Provisions

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FISCAL CONTROLS; SANCTIONS

Sec. 164. (a)(1) Each State shall establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursal of and accounting for, Federal funds paid to the recipient under [title II and III] *titles II, III, and V.* The Director of the Office of Management and Budget, in consultation with the Comptroller General of the United States shall establish guidance for the proper performance of audits. Such guidance shall include a review of fiscal controls and fund accounting procedures established by States under this section.

(2) At least once every two years, the State shall prepare or have prepared an independent financial and compliance audit of each recipient of funds under [title II and III] *titles II, III, and V* of this Act. Under criteria established by the Director of the Office of Management and Budget, and upon application by the Governor, the Secretary may exempt designated recipients from all or part of the requirements of this section, except that any such exemption shall not apply to the State administering agency, the entity which is the administrative entity for the job training plan for a service delivery area, or a private industry council. Any exception under this section may be withdrawn by the Secretary in consultation with the Director of the Office of Management and Budget.

(3) Each audit shall be conducted in accordance with applicable auditing standards set forth in the financial and compliance element of the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the Comptroller General of the United States.

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OBLIGATIONAL AUTHORITY

SEC. 171. Notwithstanding any other provision of this Act, no authority to enter into contracts or financial assistance agreements under this Act shall be effective except to such extent or in such amount as are provided in advance in appropriation Acts.

CONSTRUCTION

SEC. 172. (a) ELIGIBILITY.—Nothing in this Act shall be construed in any way to limit the right of persons to remain eligible for assistance under title XIX of the Social Security Act relating to Medicaid pursuant to section 1619(b) of such Act.

(b) USE OF FUNDS.—Nothing in this Act shall be construed to authorize the use of funds under this Act for the ongoing support services provided to handicapped individuals placed in supported employment, as such term is defined in section 7(18) of the Rehabiliation Act of 1973.

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TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

PART A—ADULT AND YOUTH PROGRAMS

ALLOTMENT

SEC. 201. (a)-(b) * * *

(c)(1) For program years beginning July 1, 1988, and thereafter, the allotment from funds appropriated for such program year of a State shall be reduced by the amount that the unexpended balance at the end of the program year prior to the program year for which

the determination under this subsection is made exceeds 20 percent of the State's allocation for that fiscal year and the unexpended balance from the program year to that program year.

(2) Amounts available pursuant to paragraph (1) of this subsection shall be reallotted to States by the Secretary in accordance with States' need for and ability to use the funds for the purposes of this title.

WITHIN STATE ALLOCATION

SEC. 202. (a)(1) The Governor shall, in accordance with section 162, allocate 78 percent of the allotment of the State (under section 201(b)) for such fiscal year among service delivery areas within the State in accordance with paragraph (2).

(2) Subject to the provisions of paragraph (3), of the amount allocated under this subsection—

(A) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each service delivery area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in the State;

(B) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in the State;

(C) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged individuals within each service delivery area compared to the total number of economically disadvantage individuals in the State, except that the allocation for any service delivery area described in section 101(a)(4)(A)(iii) shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged individuals in such area.

(3) For fiscal years beginning after September 30, 1986, no service delivery area within any State shall be allocated an amount equal to less than 90 percent of the average of its allocation percentage for the two preceding fiscal years preceding the fiscal year for which the determination is made. The allocation percentage for a service delivery area is the percentage which the service delivery area received of the total amount allocated pursuant to this subsection to all service delivery areas within the State for each such preceding fiscal year. If the amounts appropriated pursuant to section 3 (a) and (b) are not sufficient to provide an amount equal to at least 90 percent of such allocation percentages to each such area, the amounts allocated to each area shall be ratably reduced.

* * * * * * *

(b)(1) Eight percent of the allotment of each State (under section 201(b)) for each fiscal year shall be available to carry out section 123, relating to State education programs under this Act.

(2) Three percent of such allotment of each State for each fiscal year shall be available to carry out section 124, relating to training programs for older individuals.

(3)(A) Six percent of such allotment of each State for each fiscal year shall be available to carry out subparagraph (B) of this paragraph.

(B) The amount reserved under subparagraph (A) of this paragraph shall be used by the Governor to provide incentive grants for programs *under this title* exceeding performance standards[, including incentives for serving hard-to-serve individuals] *and incentives for serving increased numbers of hard-to-serve individuals, particularly long-term welfare recipients, including title IV of the Social Secuirty Act relating to aid to families with dependent children and title XVI relating to supplementary security income.* The incentive grants made under this subparagraph shall be distributed among service delivery areas within the State exceeding their performance standards in an equitable proportion based on the degree by which the service delivery areas exceed their performance standards. If the full amount reserved under subparagraph (A) of this paragraph is not needed to make incentive grants under this subparagraph, the Governor shall use the amount not so needed for technical assistance to service delivery areas in the State. Funds available under this subparagraph may, without regard to section 108(a), be used by the Governor or a service delivery area during not more than two program years to develop and implement a data collection system to track the postprogram experience of participants under this part.

(4) Five percent of such allotment of the State for each fiscal year shall be available to the Governor of the State to be used for the cost of auditing activities, for administrative activities, and for other activities under sections 121 and 122.

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[PART B—SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAMS

[PURPOSE

[SEC. 251. The purpose of programs assisted under this part is to—

[(1) enhance the basic educational skills of youth;

[(2) encourage school completion, or enrollment in supplementary or alternative school programs; and

[(3) provide eligible youth with exposure to the world of work.

[AUTHORIZATION OF APPROPRIATIONS; AND ALLOTMENT AND ALLOCATION

[SEC. 252. (a) From the funds appropriated under section 3(b), the Secretary shall first allocated to Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, the Northern Mariana Islands, and entities eligible under section 401 the same percentage of funds as were available to such areas and entities for the summer youth program in the fiscal year preceding the fiscal year for which the determination is made.

[(b) The remainder of sums appropriated pursuant to section 3(b) shall be allotted among States in accordance with section 201(b) and allocated among service delivery areas within States in accordance with section 202(a)(2), (3), and (4).

[USE OF FUNDS

[SEC. 253. (a) Funds available under this part may be used for—

[(1) basic and remedial education, institutional and on-the-job training, work experience programs, employment counseling, occupational training preparation for work, outreach and enrollment activities, employability assessment, job referral and placement, job search and job club activities, and any other employment or job training activity designed to give employment to eligible individuals or prepare them for, and place them in, employment; and

[(2) supportive services necessary to enable such individuals to participate in the program.

[(b) A service delivery area shall assess the reading and mathematics skills levels of eligible participants in programs funded by this part and shall expend funds (from this Act or otherwise available to the service delivery area, or both) for basic and remedial education as described in the job training plan under section 104.

[LIMITATIONS

[SEC. 254. (a) Programs under this part shall be conducted during the summer months, except that a service delivery area may, within the jurisdiction of any local educational agency that operates its schools on a year-round, full-time basis, offer the programs under this part to participants during the vacation period treated as the equivalent of a summer vacation.

[(b) Except as provided in subsection (c), individuals eligible under this part shall be economically disadvantaged youth.

[(c) Eligible individuals aged 14 or 15 shall, if appropriate and set forth in the job training plan, be eligible for summer youth programs under this part.

[APPLICABLE PROVISIONS

[SEC. 255. (a) Private industry councils established under title I, chief elected officials, State job training coordinating councils, and Governors shall have the same authority, duties, and responsibilities with respect to planning and administration of funds available under this part as private industry councils, chief elected officials, State job training coordinating councils, and Governors have for funds available under part A of title II.

[(b) In accordance with the provisions of subsection (a), each service delivery area shall establish written program goals and objectives which shall be used for evaluating the effectiveness of programs conducted under this part. Such goals and objectives may include—

[(1) improvement in school retention and completion;

[(2) improvement in academic performance, including mathematics and reading comprehension;

[(3) improvement in employability skills; and

[(4) demonstrated coordination with other community service organizations such as local educational agencies, law en-

forcement agencies, and drug and alcohol prevention and treatment programs.]

PART B—SUMMER AND AFDC/SSI YOUTH EMPLOYMENT AND TRAINING PROGRAMS

PURPOSE

SEC. 251. (a) GENERAL PURPOSE.—The purpose of programs assisted under section 253 is to—

(1) enhance the basic educational skills of youth;

(2) encourage school completion, or enrollment in supplementary or alternative school programs; and

(3) provide eligible youth with exposure to the world of work.

(b) ADDITIONAL PURPOSES.—In addition to the purposes described above, the programs assisted under section 254 are intended to—

(1) provide AFDC and SSI youth with the skills necessary for entering the labor force;

(2) assist AFDC and SSI youth in addressing problems which prevent them from becoming productive members of society; and

(3) reduce welfare dependency by targeting resources to help these AFDC and SSI youth, including young mothers receiving AFDC or SSI, who face multiple barriers to employment.

AUTHORIZATION OF APPROPRIATIONS; ALLOTMENT AND ALLOCATION

SEC. 252. (a) AUTHORIZATION OF APPROPRIATIONS.—From the funds appropriated under section 3(b), the Secretary shall first allocate to Guam, the Virgin Islands, American Samoa, the Freely Associated States (Republic of the Marshall Islands and the Federated States of Micronesia), the Republic of Palau, the Northern Mariana Islands, and entities eligible under section 401 the same percentage of funds as were available to such areas and entities for the programs under this part in the fiscal year preceding the fiscal year for which the determination is made.

(b) REMAINDER.—The remainder of sums appropriated pursuant to section 3(b) shall be allotted among States in accordance with section 201(b) and allocated among service delivery areas within States in accordance with section 202(a) (2), (3), and (4).

SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAM

SEC. 253. (a) USE OF FUNDS.—

(1) IN GENERAL.—Funds available under this part may be used for—

(A) basic and remedial education, institutional and on-the-job training, work experience programs, employment counseling, occupational training, preparation for work, outreach and enrollment activities, employability assessment, job referral and placement, job search and job club activities, and any other employment or job training activity designed to give employment to eligible individuals or prepare them for, and place them in, employment; and

(B) supportive services necessary to enable such individuals to participate in the program.

(2) Assessment of skills.—A service delivery area shall assess the reading, writing, and mathematics skill levels of eligible participants in programs funded by this part and shall expend funds (from this Act or otherwise available to the service delivery area, or both) for basic and remedial education as described in the job training plan under section 104.

(b) Time for Programs; Eligible individuals.—

(1) Time for programs.—Programs under this section shall be conducted during the summer months, except that a service delivery area may—

(A) within the jurisdiction of any local educational agency that operates its schools on a year-round full-time basis, offer the programs under this section to participants during a vacation period treated as the equivalent of a summer vacation; or

(B) use all or part of the funds under this part for conducting year round exemplary youth programs authorized under section 205 of this Act.

(2) Eligible individuals.—Except as provided in paragraph (3), individuals eligible under this section shall be economically disadvantaged youth consistent with section 4(8) of this Act.

(3) Exception.—Eligible individuals aged 14 or 15 shall, if appropriate and set forth in the job training plan, be eligible for summer youth programs under this section.

(c) Administration of Funds and Goals.—

(1) Administration of funds.—Private industry councils established under title I, chief elected officials, State job coordinating councils, and Governors shall have the same authority, duties, and responsibilities with respect to planning and administration of funds available under this section as private industry councils, chief elected officials, State job training coordinating councils, and Governors have for funds available under part A of title II.

(2) Program goals.—In accordance with the provisions of paragraph (1), each service delivery area shall establish written program goals and objectives that shall be used for evaluating the effectiveness of programs conducted under this section. Such goals and objectives may include—

(A) improvement in school retention and completion;

(B) improvement in academic performance, including reading, writing, and mathematics comprehension;

(C) improvement in employability skills; and

(D) demonstrated coordination with other community service organizations such as local educational agencies, law enforcement agencies, and drug and alcohol prevention and treatment programs.

AFDC/SSI YOUTH EMPLOYMENT AND TRAINING PROGRAM

Sec. 254. (a) In General.—In addition to or in lieu of the services for youth available in accordance with section 253, each service delivery area may elect to use funds available to it under this part for the program described in this section.

(b) Time and Eligibility.—

(1) Year-round program.—The program under this section may be conducted on a year-round basis.

(2) Eligible individuals.—An individual shall be eligible to participate in the program under this section only if—

(A) such individual is aged 16 through 21, or if appropriate and set forth in the job training plan, such individual is aged 14 through 21,

(B) such individual is receiving payments, or such individual is an individual whose needs are considered in determining payments, made under the program of aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or title XVI of the Social Security Act (42 U.S.C. 1381 note) relating to supplemental security income, and

(C) such individual is at risk of becoming a long-term welfare recipient or long-term unemployed.

(c) Requirements.—A service delivery area electing to operate a program under this section shall—

(1) describe in its job training plan a comprehensive plan of service containing—

(A) the process for assessing the needs of each participant (including educational, training, employment, and social service needs);

(B) the services (including supportive services necessary to enable such individuals to participate in the program) and activities to be provided, including the agencies that will provide such services, and an estimate of the length of time service will be provided to the participant; and

(C) goals to be attained, including the intermediate success points to be pursued during the course of participation; and

(2) provide the necessary services, where the assessment of the participant pursuant to subsection (c)(1)(A) indicates a need, including where appropriate—

(A) basic and remedial education;

(B) drug and alcohol abuse counseling;

(C) child care classes; and

(D) life skills planning classes.

(d) Use of Funds.—Funds available for the program under this section may be used to provide, in addition to the services required under subsection (c), the following services:

(1) Classroom training, on-the-job training, work experience, job search assistance, employment counseling, world-of-work orientation, any of the activities described under section 205 of this Act, and any other educational, employment, or job training activity designed to prepare participants for, or place individuals in, employment.

(2) Other supportive services for such individuals.

(e) Planning and Administration.—Private industry councils established under title I, chief elected officials, State job training coordinating councils, and Governors shall have the same authority, duties, and responsibilities with respect to planning and administration of funds available under this section as private industry

councils, chief elected officials, State job training coordinating councils, and Governors have for funds available under part A of title II, except that private industry councils shall have the additional responsibility under this section of ensuring that the job training plan provide for coordination of service delivery areas, local welfare agencies, and local educational agencies in the planning, program design, and the provision of services to participants.

(f) REGULATIONS.—The Secretary and the Secretary of Health and Human Services shall issue regulations jointly relating to the safeguarding and sharing, between service delivery areas and agencies administering a plan under part A of title IV of the Social Security Act, of information concerning programs under this part that is necessary for carrying out the purposes of such programs, and of the State plans approved under part A of title IV of the Social Security Act.

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TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM

STATEMENT OF PURPOSE

SEC. 501. It is the purpose of this title to entitle each State to the payment of a bonus for the successful job placement of certain employable dependent individuals.

ELIGIBILITY BASIS FOR INCENTIVE BONUS ENTITLEMENT

SEC. 502. (a) GENERAL RULE.—An individual who is the head of a household shall be eligible to be counted for the purpose of a payment of an incentive bonus under this title if the individual—

(1)(A) has received benefits continuously under—

(i) a State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), relating to the aid to families with dependent children program, or

(ii) section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees,

for at least 2 years prior to participation in education, training, and supportive services designed to provide jobs for such individuals; and

(B) has no work experience for the year preceding the year for which the determination of eligibility is made; or

(2)(A) receives benefits at the time the determination of eligibility under this title is made under a State plan under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, or section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees, and

(B) has—

(i) not attained 22 years of age,

(ii) not completed secondary school or its equivalent, and

(iii) no work experience for the year preceding the year for which the determination of eligibility under this title is made; and

(3) meets the requirements of subsection (c).

(b) Blind and Disabled Individuals.—An individual who is blind or disabled shall be eligible to be counted for the purpose of a payment of an incentive bonus under this title if the individual—

(1)(A) has received benefits continuously under title XVI of the Social Security Act (42 U.S.C. 1381note) relating to supplemental security income program for at least 2 years prior to participation in education, training, and support services designed to provide jobs for such individuals; and

(B) has no work experience for the year preceding the year for which the determination of eligibility is made; or

(2)(A) receives benefits at the time the determination of eligibility under this title is made under title XVI of the Social Security Act relating to supplemental security income, and

(B) has—

(i) not attained 22 years of age,

(ii) no work experience for the year preceding the year for which the determination of eligibility under this title is made; and

(3) meets the requirements of subsection (d).

(c) Requirements for Purposes of Subsection (a).—An individual meets the requirements of paragraph (3) of subsection (a) if the individual—

(1) participates in education, training, and supportive services designed to provide jobs for such individuals;

(2) is placed in nonsubsidized employment for at least 1 year after such participation;

(3) receives from the employment described in paragraph (2) income equal to or greater than the amount of cash benefits which the family received in the preceding year under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, or section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees; and

(4) no longer qualifies for benefits described in paragraph (3).

(d) Requirements for Purposes of Subsection (b).—An individual meets the requirements of paragraph (3) of subsection (b) if the individual—

(1) participation in education, training, and support services designed to provide jobs for such individuals;

(2) is placed in employment or supported employment (as such term is defined in section 7(18) of the Rehabilitation Act of 1973) for at least 1 year after such participation;

(3) receives from the employment described in paragraph (2) income equal to or greater than the amount of cash benefits which the individual received under title XVI of the Social Security Act relating to supplemental security income; and

(4) no longer qualifies for benefits described in paragraph (3).

(e) Placement by State.—Each State shall be entitled to (subject to funds provided in appropriation Acts) receive an incentive bonus payment for the placement in accordance with the provisions of this title of individuals who are eligible under this section.

(f) Limitation.—

(1) In general.—An individual shall not be considered to meet the requirements of subsection (c)(1) or (d)(1) if the individual participates in employment-related services and activities in a program established under the Social Security Act (42 U.S.C. 301 et seq.).

(2) Exception.—An individual's receipt of medical services under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) or registration for manpower services, training, employment, and other employment-related activities pursuant to the Social Security Act shall not be treated as participation in employment-related services and activities in a program established under the Social Security Act.

AMOUNT OF INCENTIVE BONUS

Sec. 503. (a) General Rule.—The amount of the incentive bonus paid to each State under this title shall be equal to—

(1) 75 percent of the placement bonus base for each successful placement of an individual described in section 502;

(2) 50 percent of the placement bonus base for the second continuous year of such employment; and

(3) 25 percent of the placement bonus base for the third continuous year of such employment,

in excess of the number of such placements made in fiscal year 1987 or such other base period as provided by agreement between the Governor and the Secretary.

(b) Placement Bonus Base for Purposes of Section 502(a).—For the purpose of this section, the placement bonus base—

(1) for an individual who qualifies under section 502(a)(1) is equal to the sum of the Federal contribution to amounts received by the individual and the family of such individual under a State plan approved under part A of title IV of the Social Security Act, relating to aid to families with dependent children, or under section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees, or both, for the 2 fiscal years prior to the determination made under section 502 divided by 2; and

(2) for an individual who qualifies under section 502(a)(2) shall be the annual amount to which such individual would have been entitled for one year at the time of the determination of eligibility of the individual, if such individual has not received the benefits described in section 502(a)(2) for the prior year, under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, or section 412(e) of the Immigration and Nationality Act relating to cash assistance and medical assistance to refugees.

(c) Placement Bonus Base for Purposes of Section 502(b).—For the purpose of this section, the placement bonus base—

(1) for an individual who qualifies under section 502(b)(1) is equal to the sum of the Federal contribution to amounts received by the individual under title XVI of the Social Security Act relating to supplemental security income for the two fiscal years prior to the determination made under section 502 divided by 2; and

(2) for an individual who qualifies under section 502(b)(2) shall be the annual amount to which such individual would have been entitled for one year at the time of the determination of eligibility of the individual, if such individual has not received the benefits described in section 502(b)(2) for the prior year under title XVI of the Social Security Act relating to supplemental security income.

APPLICATIONS AND VERIFICATION REQUIRED

SEC. 504. (a) APPLICATION.—Each State providing training to individuals qualifying for the incentive bonus under this title shall submit to the Secretary an application at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

(1) set forth the bonus base for the placement of individuals qualifying under this title in the State;

(2) set forth the nonsubsidized employment or supported employment (as such term is defined in section 7(18) of the Rehabilitation Act of 1973) for each such individual and the annual amount earned;

(3) set forth the amount of cash benefits under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, or section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees, received by each individual placed pursuant to paragraph (1) and the amount of cash benefits under title XVI of the Social Security Act relating to benefits for disabled individuals under the supplemental security income program received by each individual placed pursuant to paragraph (1);

(4) describe the arrangements for carrying out sections 502(c)(1) and 502(d)(1) relating to the provision of education, training, and supportive services; and

(5) set forth such additional information as the Secretary determines to be necessary.

(b) VERIFICATION.—The Secretary may not approve an application under this section without adequate verification of the placements described in the application of the State made under subsection (a).

PAYMENTS.

SEC. 505. The Secretary shall pay (subject to funds provided in appropriation Acts) to each State the amount to which the State is entitled by reason of an application approved under section 504.

RESERVATION OF INCENTIVE BONUS; USE OF FUNDS

SEC. 506. (a) RESERVATION.—The Governor shall reserve an amount that is equal to the amount the State receives for incentive bonuses under section 505 and shall distribute such incentive bonus amounts in accordance with subsection (b).

(b) SET ASIDE FOR OPERATION COSTS.—

(1) IN GENERAL.—The Governor shall, from the amount reserved under subsection (a), set aside an amount, not to exceed 15 percent of the amount so reserved in each fiscal year, for dis-

tribution to participating State agencies to support the costs of establishing and maintaining systems necessary for the operation of the program under this title, including technical assistance, management information systems, postprogram followup activities, and research and evaluation activities.

(2) Remainder.—The Governor shall distribute the remainder of the amount so reserved in each fiscal year to participating agencies, private industry councils in service delivery areas, and service providers, including community-based organizations, who contribute to the program authorized by this title.

(c) Use of Funds.—Funds distributed pursuant to paragraph (2) of subsection (b) may be used only for outreach, basic and remedial education, including language training for limited English proficient individuals, training and supportive services, including child care and transportation, designed to prepare participants for, or place individuals in, jobs.

EVALUATION OF PROGRAM

Sec. 507. (a) In General.—The Secretary shall, directly or by contract or other arrangement, conduct a thorough evaluation of the program authorized by this title.

(b) Report.—Not later than 3 years after the date of enactment of this title, the Secretary shall prepare and submit, to the appropriate Committees of Congress, a report on the evaluation activities conducted under subsection (a) and the results of such activities, together with an analysis on the costs of the program authorized by this title and the savings in payments under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, under section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees, or under title XVI of the Social Security Act relating to supplemental security income program.

TITLE [V] *VI*—MISCELLANEOUS PROVISIONS

AMENDMENTS TO THE WAGNER-PEYSER ACT

Sec. [501] *601.* * * *

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AMENDMENTS TO PART C OF TITLE IV OF THE SOCIAL SECURITY ACT

Sec. [502] *602.* * * *

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EARNINGS DISREGARDED

Sec. [503] *603.* * * *

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ENFORCEMENT OF MILITARY SELECTIVE SERVICE ACT

SEC. [504] *604.* * * *

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JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1974

AN ACT To provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Juvenile Justice and Delinquency Prevention Act of 1974".

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TITLE III—RUNAWAY AND HOMELESS YOUTH

SHORT TITLE

SEC. 301. This title may be cited as the "Runaway and Homeless Youth Act".

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PART A—GRANTS PROGRAM

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GRANTS TO PRIVATE ENTITIES; STAFFING

SEC. 314. Nothing in this part shall be construed to deny grants to private entities which are fully controlled by private boards or persons but which in other respects meet the requirements of this part and agree to be legally responsible for the operation of the runaway center. Nothing in this part shall give the Federal Government control over the staffing and personnel decisions of facilities receiving Federal funds.

PART B—TRANSITIONAL LIVING GRANT PROGRAM

PURPOSE AND AUTHORITY FOR PROGRAM

SEC. 321. (a) The Secretary is authorized to make grants and to provide technical assistance to public and nonprofit private entities to establish and operate transitional living youth projects for homeless youth.

(b) For purposes of this part—

(1) the term "homeless youth" means any individual—

(A) who is not less than 16 years of age and not more than 21 years of age;

(B) for whom it is not possible to live in a safe environment with a relative; and

(C) who has no other safe alternative living arrangement; and

(2) the term "transitional living youth project" means a project that provides shelter and services designed to promote a

transition to self-sufficient living and to prevent long-term dependency on social services.

ELIGIBILITY

SEC. 322. (a) To be eligible for assistance under this part, an applicant shall propose to establish, strengthen, or fund a transitional living youth project for homeless youth and shall submit to the Secretary a plan in which such applicant agrees, as part of such project—

(1) to provide, directly or indirectly, shelter (such as group homes, host family homes, and supervised apartments) and services (including information and counseling services in basic life skills, interpersonal skill building, educational advancement, job attainment skills, and mental and physical health care) to homeless youth;

(2) to provide such shelter and such services to individual homeless youth throughout a continuous period not to exceed 540 days;

(3) to provide, directly or indirectly, on-site supervision at each shelter facility that is not a family home;

(4) that such shelter facility used to carry out such project shall have the capacity to accommodate not more than 20 individuals (excluding staff);

(5) to provide a number of staff sufficient to ensure that all homeless youth participating in such project receive adequate supervision and services;

(6) to provide a written transitional living plan to each youth based on an assessment of such youth's needs, designed to help the transition from supervised participation in such project to independent living or another appropriate living arrangement;

(7) to develop an adequate plan to ensure proper referral of homeless youth to social service, law enforcement, educational, vocational, training, welfare, legal service, and health care programs and to help integrate and coordinate such services for youths;

(8) to provide for the establishment of outreach programs designed to attract individuals who are eligible to participate in the project;

(9) to submit to the Secretary an annual report that includes information regarding the activities carried out with funds under this part, the achievements of the project under this part carried out by the applicant and statistical summaries describing the number and the characteristics of the homeless youth who participate in such project in the year for which the report is submitted;

(10) to implement such accounting procedures and fiscal control devices as the Secretary may require;

(11) to submit to the Secretary an annual budget that estimates the itemized costs to be incurred in the year for which the applicant requests a grant under this part;

(12) to keep adequate statistical records profiling homeless youth which it serves and not to disclose the identity of individ-

ual homeless youth in reports or other documents based on such statistical records;

(13) not to disclose records maintained on individual homeless youth without the consent of the individual youth and parent or legal guardian to anyone other than an agency compiling statistical records or a government agency involved in the disposition of criminal charges against youth; and

(14) to provide to the Secretary such other information as the Secretary may reasonably require.

(b) In selecting eligible applicants to receive grants under this part, the Secretary shall give priority to entities that have experience in providing to homeless youth shelter and services of the types described in subsection (a)(1).

PART C—GENERAL PROVISIONS

ASSISTANCE TO POTENTIAL GRANTEES

SEC. [315.] *341.* The Secretary shall provide informational assistance to potential grantees interested in establishing runaway and homeless youth centers *and transitional living youth projects.* Such assistance shall consist of information on—

(1) steps necessary to establish a runaway and homeless youth center *or transitional living youth project*, including information on securing space for such center *or such project*, obtaining insurance, staffing, and establishing operating procedures;

(2) securing local private or public financial support for the operation of such center *or such project,* including information on procedures utilized by grantees under this title; and

(3) the need for the establishment of additional runaway *and homeless* youth centers in the geographical area identified by the potential grantee involved.

LEASE OF SURPLUS FEDERAL FACILITIES FOR USE AS RUNAWAY AND HOMELESS YOUTH CENTERS *OR AS TRANSITIONAL LIVING YOUTH SHELTER FACILITIES*

SEC. [316.] *342.* (a) The Secretary may enter into cooperative lease arrangements with States, localities, and nonprofit private agencies to provide for the use of appropriate surplus Federal facilities transferred by the General Services Administration to the Department of Health and Human Services for use as runaway and homeless youth centers *or as transitional living youth shelter facilities* if the Secretary determines that—

(1) the applicant involved has suitable financial support necessary to operate a runaway and homeless youth center *or transitional living youth project, as the case may be, under this title*;

(2) the applicant is able to demonstrate the program expertise required to operate such center in compliance with this title, whether or not the applicant is receiving a grant under this part; and

(3) the applicant has consulted with and obtained the approval of the chief executive officer of the unit of general local government in which the facility is located.

(b)(1) Each facility made available under this section shall be made available for a period of not less than 2 years, and no rent or fee shall be charged to the applicant in connection with use of such facility.

(2) Any structural modifications or additions to facilities made available under this section shall become the property of the United States. All such modifications or additions may be made only after receiving the prior written consent of the Secretary or other appropriate officer of the Department of Health and Human Services.

REPORTS

SEC. [317.] *361. (a)* The Secretary shall annually report to the Congress on the status and accomplishments of the runaway centers which are funded under [this part] *part A* with particular attention to—

(1) their effectiveness in alleviating the problems of runaway youth;

(2) their ability to reunite children with their families and to encourage the resolution of intrafamily problems through counseling and other services;

(3) their effectiveness in strengthening family relationships and encouraging stable living conditions for children; and

(4) their effectiveness in helping youth decide upon a future course of action.

(b) The Secretary shall annually report to the Congress on the status and accomplishments of the transitional living youth projects which are funded under part B, with particular attention to—

(1) the number and characteristics of homeless youth served by such projects;

(2) describing the types of activities carried out under such projects;

(3) the effectiveness of such projects in alleviating the immediate problems of homeless youth;

(4) the effectiveness of such projects in preparing homeless youth for self sufficiency;

(5) the effectiveness of such projects in helping youth decide upon future education, employment, and independent living; and

(6) the ability of such projects to strengthen family relationships, and encourage the resolution of intra-family problems through counseling and the development of self-sufficient living skills.".

FEDERAL SHARE

SEC. [318.] *362.* (a) The Federal share for the acquisition and renovation of existing structures, the provision of counseling services, staff training, and the general costs of operations of such facility's budget for any fiscal year shall be 90 per centum. The non-

Federal share may be in cash or in kind, fairly evaluated by the Secretary including plant, equipment, or services.

(b) Payments under this section may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

[PART B—RECORDS]

RECORDS

SEC. [321.] *363.* Records containing the identity of individual youth pursuant to this Act may under no circumstances be disclosed or transferred to any individual or to any public or private agency.

[PART C—AUTHORIZATION OF APPROPRIATIONS]

AUTHORIZATION OF APPROPRIATIONS

SEC. [331.] *366.* (a) To carry out the purposes of part A of this title there is authorized to be appropriated such sums as may be necessary for fiscal years 1985, 1986, 1987, and 1988.

(b)(1) Subject to paragraph (2), to carry out the purposes of part B of this title, there are authorized to be appropriated $5,000,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990, 1991, and 1992.

(2) No funds may be appropriated to carry out part B of this title for a fiscal year unless the aggregate amount appropriated for such fiscal year to carry out part A of this title exceeds $26,100,000.

[(b)] *(c)* The Secretary (through the Office of Youth Development which shall administer this title) shall consult with the Attorney General (through the Administrator of the Office of Juvenile Justice and Delinquency Prevention) for the purpose of coordinating the development and implementation of programs and activities funded under this title with those related programs and activities funded under title II of this Act and under the Omnibus Crime Control and Safe Streets Act of 1968,[1] as amended.

[(c)] *(d)* No funds appropriated to carry out the purposes of this title—

(1) may be used for any program or activity which is not specifically authorized by this title; or

(2) may be combined with funds appropriated under any other Act if the purpose of combining such funds is to make a single discretionary grant or a single discretionary payment unless such funds are separately identified in all grants and contracts and are used for the purposes specified in this title.

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